

2009-02-19-0125

AN ORDINANCE

AUTHORIZING A CONTRACT WITH KABA BENZING AMERICA, INC., TO PROVIDE THE CITY OF SAN ANTONIO WITH AN SAP-INTEGRATED TIME COLLECTION SOLUTION, FOR AN ESTIMATED TOTAL COST OF \$927,000.00.

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WHEREAS, the City desires to increase efficiency and accountability, centralize the responsibility of time management, strengthen segregation of duties between the payroll and time functions and standardize processes and tools used for time management throughout the City; and

WHEREAS, a Request for Competitive Sealed Proposal (RFCSP) was issued, with the proposal of Kaba Benzing America, Inc., selected to provide a time and labor data collection solution; and

WHEREAS, approval of this proposal would allow the City to collect time and labor information and integrate the data with SAP; **NOW THEREFORE**,

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

SECTION 1. The proposal of Kaba Benzing America, Inc., in the amount of \$927,000.00 to provide the City of San Antonio with an Sap-Integrated Time Collection Solution, is hereby accepted. A copy of the contract and Scoring Matrix are attached hereto and incorporated herein as **Attachment 1**.

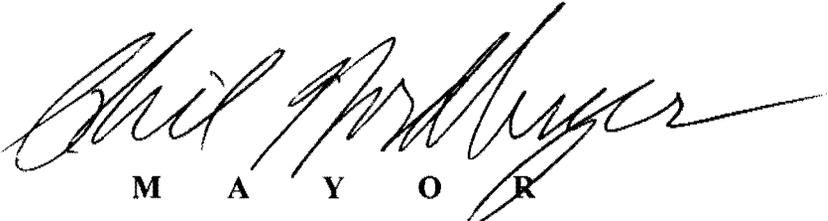
SECTION 2. A contract has been awarded to Kaba Benzing America, Inc., in the amount of \$927,000.00 from previously appropriated funds in SAP Fund 43099000, Certificates Of Obligation Capital Projects, SAP Project Definition 07-00002, Time Administration, and is authorized to be encumbered and made payable to Kaba Benzing America, Inc for products and services related to the Time Administration project.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance 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

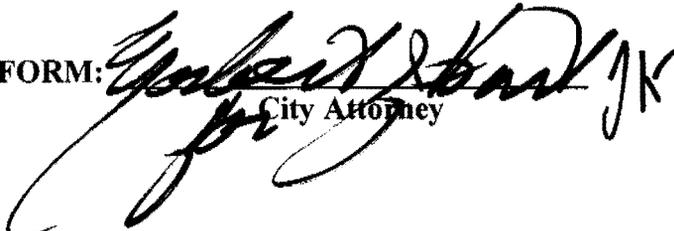
Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This Ordinance shall be effective on the tenth day after passage.

PASSED AND APPROVED this 19th day of February, 2009.


M A Y O R

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
City Attorney

Time and Labor Data Collection Solution Scoring Matrix

Criteria	Maximum Points	Kaba	Timelink	Kronos
A - Executive Summary/Proposed Solution	40	36.75	27.50	22.75
B - History, Experience and Past Performance	30	26.25	24.25	20.50
Sub-Total	70	63.00	61.75	43.25
C- Price	10	7.86	10.00	3.98
D - Economic Impact	5	0.00	0.00	0.00
D - SBEDA Experience	5	0.00	0.00	1.00
D - SBEDA Utilization	5	2.00	4.00	2.00
D - Emerging Diversity Business Plan	5	0.00	2.00	0.00
D- SBEDA Sub-Total	20	2.00	6.00	3.00
TOTAL SCORE	100	72.86	67.75	50.23
Based on Total Score		1	2	3

Note: This form is a local government record that shall be retained in accordance with applicable laws. To ensure the form is complete and sign this form, then submit to issuing department for retention.

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STATE OF TEXAS

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COUNTY OF BEXAR

AGREEMENT BETWEEN
THE CITY OF SAN ANTONIO
AND
KABA
FOR TIME AND LABOR DATA COLLECTION

This BINDING SOFTWARE LICENSE AND PROFESSIONAL SERVICES AGREEMENT is made between

1 Kaba Benzing America Inc. ("Kaba") dba, Kaba Workforce Solutions, a company incorporated in Florida, USA with registered no 980661 and whose registered office is at 3015 North Commerce Parkway, Miramar Florida 33025 USA AND

2 The City of San Antonio, a Texas Home-Rule Municipality ("Customer"), The parties hereto agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

"Agreement" means this Software License and Services Agreement, the Request for Competitive Sealed Proposal for Time & Labor Data Collection Solution ("RFCSP") which is attached hereto as Exhibit "A," attached hereto and incorporated by reference herein for all purposes, and all schedules and [appendices] hereto. In the event of any conflict between terms and conditions of this Agreement, Schedules, Addenda and the RFCSP, the terms and conditions of the RFCSP shall prevail.

"Computer" means the Customer's B-Comm server onto which the Kaba Software is loaded.

"Documentation" means any on-line help files, instruction manuals, operating instructions, user manuals or specifications provided by Kaba, which describe the use of the Software or Hardware and which either accompany the Software or Hardware or are provided to Customer by Kaba at any time.

"Effective Date" means the date of this Agreement.

"Hardware" means the items of hardware to be supplied by Kaba set out in Schedule A.

"Kaba" and "Customer" have the meanings ascribed to them hereinabove.

"License Fee" and "Maintenance Fee" mean the respective fees set out in Schedule A (as updated in accordance with that Schedule from time to time).

"Maintenance" means the maintenance service to be provided (if taken by the Customer) in accordance with the terms of the Annual Maintenance Agreement set out in Schedule B.

"Services" means the Professional Services referred to in section 10 and Schedule A.

"Site" means the physical location of the computer on which the Software will be installed.

"Software" means the computer software set out in Schedule A to be provided to Customer by Kaba in object form only (not the Source Code).

"SOW" or "Statement of Work" means the statement of work set out in Schedule C.

"Specification" means the functional overview set out in the Kaba reference documents.

"Term" means in perpetuity but subject always to termination in accordance with section 12.

"User(s)" means the person(s) at the Site who access the computer system to use the data provided by the Software.

1.2 The headings of these terms and conditions are for convenience only and shall not affect the interpretation thereof.

2. SOFTWARE LICENSE

2.1 GRANT OF LICENSE: Kaba grants to Customer for the Term the non-exclusive and non-transferable perpetual license to use the Software at the Site.

2.2 OWNERSHIP: Kaba shall remain as exclusive owner of the Software and Documentation. This license transfers to Customer neither title nor any proprietary or intellectual property rights to the Software, Documentation, or any copyrights, patents, or trademarks embodied or used in connection therewith, except for the rights as expressly granted herein.

2.3 USE OF SOFTWARE. Customer agrees to use the Software for its own internal business purposes. Customer may not make available to third parties access to the Software, including but not limited to access through terminals, processors or communication networks owned,

controlled or operated by Customer, without Kaba's prior written consent.

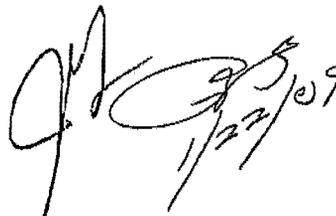
2.4. SOFTWARE COPIES. Kaba will deliver to Customer one copy of the Software and related materials described in Schedule A. Customer will be entitled to make a reasonable number of machine-readable copies of the Software for backup or archival purposes only. Save for back up and archival purposes Customer may not make or permit the making of any copies of the Software. Customer shall maintain accurate and up-to-date records of the number and location of all copies of the Software and inform Kaba in writing of such location(s). All copies of the Software will be subject to all terms and conditions of this Agreement. Whenever Customer is permitted to copy or reproduce all or any part of the Software, all titles, trademark symbols, copyright symbols and legends, and other proprietary markings must be reproduced.

2.5 TRAINING DOCUMENTATION COPIES. Customer may make or permit the making of copies of the student manuals, instructor manuals or PowerPoint presentations for internal Customer use only.

2.6. RESTRICTION: Customer agrees that it will not itself, or through any parent, subsidiary, affiliate, agent or other third party: (a) sell, lease, license or sub-license the Software or the Documentation; (b) decompile, disassemble or reverse engineer the Software; (c) in any way modify or prepare derivative works of the Software; or (d) provide, disclose, divulge, or make available to, or permit use of the Software by any unauthorized party without Kaba's prior written consent.

3. INSTALLATION

3.1 SITE. Customer agrees to install the Software and to use the Software and related materials



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solely at the Site and for only that amount of Users as are set out in Schedule A.

- 3.2 SPECIFICATIONS. Customer agrees to install the Software only on equipment that meets the minimum hardware, operating system and database version requirements.

4. UPGRADES, ENHANCEMENTS

- 4.1 UPGRADES, ENHANCEMENTS. For the period of one year from the Effective Date Kaba, as set out in the Maintenance Agreement (Schedule B), will provide the Customer any upgrades or enhancements which are made as a result of bug fixes, patches or product enhancements. Upgrades and enhancements are defined as an improvement to the functionality of an existing software program and identified by a change in the number to the right of the decimal point of the number appearing after the product name. Customer is not entitled to new modules priced separately on Kaba's standard price list, but Customer may purchase new modules upon the terms and price listed in the Standard Price List, which is published by Kaba. Any costs associated with installation and implementation of enhancements and upgrades to Customer's existing infrastructure is Customer's responsibility.

5. PAYMENTS AND TAXES

- 5.1 FEES, MILESTONES. Customer shall pay Kaba the fees set out in Schedule A in accordance with the terms and payment milestones set out in that Schedule.
- 5.2 TAXES. In addition to the amounts set out in Schedule A, Customer agrees to pay or reimburse Kaba, as the case may be, for any and all applicable sales, use, withholding, VAT or excise taxes imposed by any Federal, State, Dominion, Provincial or local tax authority in connection with the licenses granted to

Customer pursuant to this Agreement or the provisions for Services or Maintenance hereunder.

- 5.3 Time for payment of the price shall be of the essence and without prejudice to any other right which Kaba may have. All payments shall be subject to the provisions of Section 2251 of the Texas Government Code, "Payment of Goods and Services," and as amended hereinafter.

- 5.4 Kaba reserves the right to suspend further supplies of goods and/or services in the event of any payments under the Agreement not being made when due.

6. ESCROW OF SOURCE CODE

- 6.1 MASTER SOURCE CODE ESCROW AGREEMENT. Subject to the payment of applicable escrow fees by the City and the City's execution of the applicable escrow documents, a Master Source Code Escrow Agreement with respect to the Software may be established. Kaba shall, on or before the occurrence of the first Go Live for the Kaba software, enroll the City as a Preferred Beneficiary of the applicable Kaba Source Code escrow account with Iron Mountain Intellectual Property Management (the "Escrow Agent"). A copy of Kaba's Master Preferred Escrow Agreement with Iron Mountain is attached as Exhibit C. The location of the escrow shall be Iron Mountain's storage facilities in Norcross, Georgia. The City shall pay all escrow fees and expenses associated with the Escrow, including, but not limited to, first year fees, renewal year fees, and fees for additional services, if any, selected by the City. Each month, Kaba shall deposit in Escrow updated Source Code containing (i) all updates to the Kaba software released during the preceding month and (ii) any Kaba software modification and/or interfaces

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released for live operations the preceding month. Source Code Escrow shall be kept in effect until (i) the City gives Kaba written notice of termination of the escrow, (ii) the escrow is cancelled by the Escrow Agent due to non-payment of escrow charges by the City, or (iii) this Agreement is terminated. Source Code released under the terms of the Source Code Escrow Agreement shall be deemed part of the Kaba software hereunder, subject to the terms and conditions of this Agreement, including, but not limited to, the license in Section 2 except as modified below.

6.1.1 Source Code shall be released to City only upon the occurrence of and only during the duration of one of the following conditions:

6.1.1.1 Kaba's persistent and uncured failure to carry out or provide for the carrying out of material warranty obligations imposed upon it pursuant to this Agreement or any Software Support Agreement between the Parties with respect to the Kaba software, which failure persists for a period of 30 days after a written notice from the City to Kaba asserting such failure and the intention to demand a release of Source Code from escrow, or

6.1.1.2 Kaba's failure to continue to do business in the ordinary course without providing an alternate source of warranty of Software Support by a ready, willing and able assignee.

6.1.1.3 the escrowed Source Code and other material released to the City hereunder shall be subject to all of the terms and conditions of this Agreement, including without limitation the Confidentiality provisions herein, except as specifically modified in this paragraph. Without limiting the generality of the foregoing, the Source Code shall, except for periods of actual use, be kept in a secure, locked container and/or a secured protected computer file with access limited only to those

with a need to know for purposes of software maintenance. Any person or entity granted access shall be required to agree in writing to comply with this paragraph. Kaba shall, upon request, be provided with a copy of such agreement(s).

6.1.1.3 Provided that a release of Source Code is rightfully made hereunder, the City is granted a license to copy and use the Source Code for the sole purpose of software maintenance. For purposes of these Source Code Escrow provisions, the term "software maintenance" means correction of software errors and preparation of software modifications and enhancements. If the City created new and original computer code not derived from the Kaba software or the ideas, processes, methods of operation, technology or know-how implemented therein, in the process of software maintenance, the intellectual property rights (including copyright, patent and trade secret) in and to that specific new and original code shall be owned by the City. However, if the City's enhancements or other modifications result in the creation of a derivative work from the Kaba software, or a work based upon the ideas, processes, methods of operation, technology or know-how implemented therein, the intellectual property rights (including copyright, patent and trade secret) in and to such work shall be owned by Kaba and the City's right to use such work shall be limited to those granted with respect to the Kaba software in the Agreement. No rights to distribute Source Code or derivative works therefrom are granted hereunder.

7. CONFIDENTIALITY

7.1 PROPRIETARY INFORMATION. All information (regardless of its form, manifestation or how it is known to the other party) concerning either party to this Agreement, including without limitation the source code for the Software, technology,



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data, business, financial affairs and operations of each respective party hereto, is hereby deemed to be for the purposes of this Section 7.0 as confidential and proprietary to each such respective party ("Confidential Information"). Confidential Information shall not include information defined as Confidential Information above which the receiving party can establish before a competent jurisdiction: (i) was in the possession of the receiving party at the time of disclosure; (ii) prior to or after the time of disclosure becomes part of the public domain without the act or omission of the party to whom it was disclosed; (iii) is disclosed to the receiving party by a third party under no legal obligation to maintain the confidentiality of such information; or (iv) was independently developed by the receiving party. All such Confidential Information shall be treated as strictly confidential by the receiving party and its employees, contractors and agents and shall not be disclosed by the receiving party without the disclosing party's prior written consent. However, the receiving party may disclose Confidential Information of the disclosing party in accordance with the Texas Public Information Act, judicial or other governmental order, provided the receiving party shall give the disclosing party reasonable notice prior to such disclosure and shall comply with any applicable protective order or the equivalent.

7.2 TREATMENT OF CONFIDENTIAL INFORMATION. Neither party shall in any way duplicate all or any part of the other party's Confidential Information, except in accordance with the terms and conditions of this Agreement. Each party shall have an appropriate agreement with its employees, contractors and agents having access to the other party's Confidential Information sufficient to enable that party to comply with all the terms of this Agreement. Each party

agrees to protect the other's Confidential Information with a fiduciary duty and shall adopt or maintain procedures to protect such Confidential Information commensurate with such duty.

7.3 FURTHER TREATMENT OF PROPRIETARY INFORMATION. Each party agrees not to disclose any such Confidential Information without the prior written consent of the other to anyone other than that party's employees, contractors and agents who have a need to know same to carry out the rights granted hereunder. Each party shall use its reasonable efforts to protect all such Confidential Information from material harm, damage, theft, tampering, sabotage, interference or unauthorized use, during the term of this Agreement and during such time as Confidential Information remains in the possession of the other party.

7.4 ACTION TO PROTECT. Each party shall promptly report to the other any actual or suspected violation of the terms of this Section 7.0 and shall take all reasonable steps to prevent, control or remedy such violation.

7.5 EQUITABLE RELIEF. In recognition of the unique and proprietary nature of the information disclosed by the parties, it is agreed that each party's remedies for a breach by the other of its obligations under this Section 7.0 shall be inadequate and the disclosing party shall, in the event of such breach and be entitled to seek equitable relief, including without limitation, injunctive relief and specific performance in addition to any other remedies provided hereunder or available at law.

8. HARDWARE

8.1 TERMS OF SALE. If Customer purchases Hardware from Kaba, it purchases subject to the terms and conditions of sale of this Agreement, to the extent it does not conflict with the RFCSP.



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9. MAINTENANCE

9.1 If requested and subject to the payment of the annual Maintenance Fee, Kaba will provide maintenance of the Kaba Hardware (but not third party manufactured hardware) and/or Software, in accordance with the terms set out in Schedule B. Kaba's Customer Support Plan, which is provided as Exhibit B, describes the procedures for seeking maintenance.

9.2 LIMITATIONS. Kaba shall have no obligation to support (a) altered, damaged or modified Software (except as authorized by Kaba) or any portion of the Software incorporated into other software; (b) Software that is not the then current or immediately previous sequential release; wherein the version release is indicated by the number which is to the left of the decimal point in the version number (c) problems caused by Customer's negligence, abuse or misapplication, or use of the Software other than as specified in Kaba's User Guide or any other cause beyond Kaba's control; or (d) Software installed on a system that is not supported by Kaba. Kaba shall have no liability for any changes in Customer's hardware, which may be necessary to use the Software.

9.3 TECHNICAL SUPPORT. Kaba reserves the right to change its technical support guidelines and procedures upon at least thirty (30) days prior written notice of such changes to Customer and provided that Kaba's overall technical support obligations to Customer shall not be less than provided prior to the change and this for as long as the Agreement and Maintenance Agreement (Schedule B), if applicable, is in effect.

10. PROFESSIONAL SERVICES

10.1 SERVICES. Kaba provides consulting services for the implementation of Software and Hardware. Kaba shall render these services and deliver the required reports in accordance with

the Statement of Work attached hereto as Schedule C, if applicable.

10.2 CUSTOMER LIAISON. Customer will advise Kaba individuals to whom Kaba's personnel will report for purpose of coordinating Kaba's activities for Customer. Customer and Kaba will develop appropriate administrative procedures to apply to such personnel, and which will be provided for in the SOW (Schedule C).

11. SOFTWARE USE CONTROL

Kaba shall have the right to undertake a yearly Software user audit to determine the number of Customer employees using the Software.

12. TERM AND TERMINATION

12.1 This Agreement commences on the Effective Date and will remain in force until it is terminated in accordance with this section 12.

12.2 This Agreement may be terminated:

12.2.1 by the Customer or Kaba by giving not less than 30 days' notice to the other;

12.2.2 forthwith by Kaba if the Customer fails to pay any sum due hereunder within 30 days of the due date therefore;

12.2.3 forthwith by either party if the other commits any material breach of any term of this Agreement and which (in the case of a breach capable of being remedied) shall not have been remedied within 30 days of a written request to remedy the same;

12.2.4 forthwith by either party if the other ceases its business activities or becomes insolvent, admits in writing to an inability to pay its debts as they mature, makes an assignment for the benefit of creditors, is adjudged bankrupt by a competent authority, voluntarily files a petition under any

bankruptcy or similar law providing for its reorganization, dissolution or liquidation, or becomes subject to direct control of a trustee, receiver or similar authority or in respect of the customer anything analogous to such matters in the jurisdiction of the Customer.

12.2.5 In the event that through no action initiated by the City of San Antonio, the City's legislative body does not appropriate funds for the continuation of this Agreement for any fiscal year after the first fiscal year and has no funds to do so from other sources, this Agreement may be terminated.

12.3 Termination will become effective immediately or on the date set forth in the written notice of termination and any payment obligations under this Agreement shall immediately become due and owing. Termination of this Agreement will not affect the provisions regarding Customer's or Kaba's treatment of Confidential Information, provisions relating to the payments of amounts due, provisions limiting or disclaiming Kaba's liability regarding applicable law, which provisions will survive termination of this Agreement.

12.4 Termination is not an exclusive remedy and all other remedies will be available whether or not termination occurs.

13. WARRANTY AND REPRESENTATIONS

13.1 GENERAL WARRANTY. Kaba warrants that it is the owner of the entire right, title and interest in and to the Software, and that it has the right to grant licenses hereunder, and that it has not knowingly entered into another agreement with another party that would restrict the rights granted hereunder unless otherwise stated herein.

13.2 SOFTWARE WARRANTY. Kaba represents and warrants to Customer that the Software,

when properly installed on the proper equipment and used according to the System Administrator and User Guides provided by Kaba, as such user guides may be amended, supplemented, or modified by Kaba, will conform in all material respects to the Specification. If the Customer notifies Kaba of any defect or fault in the Software in consequence of which it fails to conform in all material respects with the Specification, and such defect or fault does not result from the Customer, or anyone acting with the authority of the Customer, having amended the Software or used it for a purpose or in a context other than the purpose or context for which it was designed, Kaba shall, at Kaba's option, do one of the following:

- (i) repair the Software; or
- (ii) replace the Software.

13.3 LIMITATION TO SOFTWARE WARRANTY. Notwithstanding the warranty provisions set forth in Section 13.2 above, Kaba shall have no warranty obligations with respect to any failures of the Software which may result from accident, abuse, tampering, unauthorized modification, misapplication, extreme power surge or extreme electromagnetic field where failure and where same is caused by any party other than Kaba.

13.4 LIMITED LIABILITY. Except as set forth in Sections 13.1 and 13.2 and the RFCSP that is the basis of this Agreement, Kaba makes no warranties or representations, expressed or implied, written or verbal, relating to the Software, the Documentation, the Hardware or the Services furnished or provided to Customer under this Agreement. Specifically, Kaba does not warrant that the Software will be error free or will perform in an uninterrupted manner. To the maximum extent allowed by law, Kaba specifically disclaims all implied warranties of satisfactory quality and fitness for a particular purpose (even if Kaba were informed of such

purpose) with respect to the Software, the Hardware and the Services provided hereunder.

SERVICES FEES PAID BY CUSTOMER FOR SUCH SERVICES.

13.5 To the extent that it does not conflict with the RFCSP that is the basis of this agreement, SUBJECT TO SECTION 13.8 IN NO EVENT WILL KABA OR ITS SUBCONTRACTORS BE LIABLE FOR ANY LOSS OF PROFITS, LOSS OF USE, BUSINESS INTERRUPTION, LOSS OF DATA, COST OF COVER OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND IN CONNECTION WITH OR ARISING OUT OF THE FURNISHING, PERFORMANCE OR USE OF THE SOFTWARE OR SAID SERVICES WHETHER ALLEGED AS A BREACH OF CONTRACT OR TORTIOUS CONDUCT, INCLUDING NEGLIGENCE, EVEN IF KABA HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

13.7 NO EMPLOYEE, AGENT, REPRESENTATIVE OR AFFILIATE OF CUSTOMER HAS AUTHORITY TO BIND KABA TO ANY ORAL REPRESENTATIONS OR WARRANTY NOT EXPRESSLY CONTAINED IN THIS AGREEMENT.

13.8 Kaba's liability to Customer for death or injury resulting from its own or its employees or sub-contractors' negligence shall not be limited.

14. INFRINGEMENT

14.1 Notwithstanding any other provision hereof, this Section 14.0 shall govern the parties' rights in the event of third party intellectual property infringement claims asserted against a party and provides for the exclusive remedy in the event of such claims.

13.6 To the extent that it does not conflict with the RFCSP that is the basis of this agreement, SUBJECT TO SECTION 13.8 KABA'S MAXIMUM AGGREGATE LIABILITY (WHETHER IN CONTRACT, TORT OR ANY OTHER FORM OF LIABILITY) FOR DAMAGES OR LOSS, HOWSOEVER ARISING OR CAUSED, WHETHER OR NOT ARISING FROM KABA'S NEGLIGENCE, SHALL IN NO EVENT BE GREATER THAN (A) IN THE EVENT SUCH DAMAGE IS NOT RELATED TO SERVICES, THE LICENSE FEE SPECIFIED IN SCHEDULE A RELATED TO THE PARTICULAR LICENSED SOFTWARE PROGRAM WHICH CAUSED THE DAMAGE OR LOSS, OR (B) IN THE EVENT SUCH DAMAGE OR LOSS IS RELATED TO SERVICES, THE

14.2 INFRINGEMENT. Subject to the conditions set out in section 14.2.1-4, Kaba will, at its expense, defend or settle any claim, action or allegation brought against Customer that the Software infringes any patent, copyright, trade secret or other proprietary right of any third party based solely on any Software or Documentation or any part thereof, furnished by Kaba under this Agreement and Kaba will defend, or settle at Kaba's option, any such claim:

14.2.1 Customer gives prompt written notice to Kaba of any such claim, action or allegation of infringement; and

14.2.2 Customer gives Kaba the authority, information and reasonable assistance (at Kaba's expense) to handle the claim or the defense of any such suit or proceeding.

Kaba shall not be responsible for any cost or expenses incurred without Kaba's prior written consent; and

14.2.3 Customer shall not make any admissions or settle any claims whatsoever without Kaba's prior written approval; and

14.2.4 Kaba will have sole control of such defense or settlement.

14.3 In the event any such infringement, claim, action, or allegation is brought or threatened, Kaba may, at its sole option and expense:

(i) Procure for Customer the right to continue use of the Software or the infringing portion thereof;

(ii) Modify, amend or replace the Software or infringing part thereof with other software having substantially the same or better capabilities;

If neither of the foregoing is commercially practicable, Kaba shall refund the unused portion of the License Fee, which may have been paid in advance, as specified on Schedule A and related to the infringing part thereof. In the event that such refund is made, Customer shall immediately cease using the infringing portion of the Software and will remove the same from its system and so certify to Kaba. If, as a result of having ceased using the infringing Software due to an infringement claim Customer is not reasonably able to continue using the other components of the Software licensed hereunder, Customer will be permitted to return those other Software components on the same terms as set forth above for infringing Software. The foregoing states the entire liability of Kaba and Customer's exclusive remedy with respect to infringement of any patent, copyright, trade secret or other intellectual property right.

14.4 THE FOREGOING OBLIGATIONS SHALL NOT APPLY TO THE EXTENT THE INFRINGEMENT ARISES AS A RESULT OF (A) MODIFICATIONS TO THE SOFTWARE MADE BY ANY PARTY OTHER THAN KABA OR KABA'S AUTHORIZED REPRESENTATIVE, OR (B) FAILURE OF CUSTOMER TO INSTALL AN UPDATE, UPGRADE, MAINTENANCE RELEASE, PATCH, ETC., WITHIN A REASONABLE TIME OF BEING PROVIDED ACCESS TO SAME BY KABA IF SUCH INFRINGEMENT WOULD HAVE BEEN AVOIDED BY SUCH INSTALLATION. THIS SECTION 14 STATES THE ENTIRE LIABILITY OF KABA WITH RESPECT TO INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADE SECRET OR OTHER PROPRIETARY RIGHT.

15. ASSIGNMENT AND SUBLICENSE

15.1 Neither this Agreement nor any rights under this Agreement may be assigned, sublicensed, or transferred by Customer, in whole or in part, including by way of merger, acquisition or sale of all or substantially all of the voting rights in one or more related transactions, without Kaba's prior written consent. Kaba has the right to require any proposed transferee to execute any documents or follow any procedures established by Kaba as a condition precedent to any proposed transfer, and a transfer fee may be applicable as established by Kaba from time to time.

16. INSURANCE AND INDEMNIFICATION

Insurance and Indemnification shall be required as set forth in the RFCSP, and shall be subject to any updates or

revisions as required by the City of San Antonio Risk Management Department.

17. SBEDA

Customer's SBEDA requirements are attached hereto as EXHIBIT D and are incorporated by reference.

18. GENERAL TERMS

18.1. PUBLICITY. Kaba may make a press release concerning the execution of this Agreement with the prior written consent of Customer's Director of Finance.

18.2. NOTICES. All notices provided for in this Agreement shall be effective when they are received by personal delivery or telefax; or one business day after they are received by courier or by registered or certified airmail at the following address: or such other address as either party shall hereafter designate in writing to the other pursuant to the terms of this Section.

If to Kaba: Kaba Workforce Solutions
3015 North Commerce Parkway
Miramar, Florida 33025 USA
Attn: CFO
Phone: 954.416.1720
Facsimile: 954.416.1721

If to Customer: City of San Antonio
Finance Department
111 Soledad, 5th Floor
San Antonio, Texas 78205
Attn: Director of Finance
Phone: 210.207.5734
Facsimile: 210.207.4072

18.3 ACQUISITION. In the event of acquisition of Customer resulting in transfer of control

of a majority of equity interest, the rights under this Agreement shall be restricted to Customer and its affiliates as constituted prior to the acquisition.

18.4 FORCE MAJEURE. Except for payment of money, neither party will incur any liability to the other party on account of any loss or damage resulting from any delay or failure to perform all or any part of this Agreement if such delay or failure is caused, in whole or in part, by events, occurrences, or causes beyond the control and not caused by the negligence of the non-performing party.

Such events, occurrences, or causes include but are not limited to, acts of God, strikes, lockouts, riots, acts of war, acts of terrorism, earthquakes, fires and explosions.

18.5 SURVIVAL. The provisions of Section 7 shall survive any termination of this Agreement until expressly waived in writing by the party for whom they are of benefit or terminated by a further written agreement of the parties.

18.6 WAIVER. Any waiver of the provisions of this Agreement or of a party's rights or remedies under this Agreement must be in writing to be effective. Failure, neglect or delay by a party to enforce the provisions of this Agreement or its rights or remedies at any time will not be construed to be deemed a waiver of such party's rights under this Agreement and will not in any way affect the validity of the whole or any part of this Agreement or prejudice and such party's right to take subsequent action.

18.7 SEVERABILITY. If any term, condition or provision in this Agreement is found to be invalid, unlawful or unenforceable to any extent, the parties shall endeavor in good faith to agree to such amendment that will preserve, as far as possible, the intentions

expressed in this Agreement. If the parties fail to agree on such an amendment, such invalid term, condition or provision will be severed from the remaining terms, conditions and provisions, which will continue to be valid and enforceable to the fullest extent permitted by law.

18.8 ENTIRE AGREEMENT. This Agreement (including the RFCSP, Schedules and any addenda hereto signed by both parties) contains the entire agreement of the parties with respect to the subject matter of this Agreement and supersedes all previous communications, representations, understandings and agreements, either oral or written, between the parties with respect to said subject matter. In the event of any conflict between terms and conditions of this Agreement, Schedules, Addenda and the RFCSP, the terms and conditions of the RFCSP shall prevail.

18.9 STANDARD TERMS OF LICENSE. No terms, provisions or conditions of any purchase order, acknowledgment or other business form that Customer may use in connection with the acquisition or licensing of the Software will have any effect on the rights, duties or obligations of the parties under, or otherwise modify, this Agreement, regardless of any failure of Kaba to object to such terms, provisions, or conditions.

18.10 INDEPENDENT CONTRACTORS. The parties to this Agreement are independent contractors. No relationship of principal to agent, master to servant, employer to employee or franchisor to franchisee is established hereby between the parties. Neither party has the authority to bind the other or incur any obligation on its behalf.

18.11 COUNTERPARTS. This Agreement may be executed in counterparts, each of which so executed will be deemed to be an original

and such counterparts together will constitute one and the same Agreement.

18.12 No term of this Agreement is intended to confer a benefit on, or to be enforceable by, any person who is not a party to this Agreement.

18.13 APPLICABLE LAW/JURISDICTION. This Agreement will be interpreted and construed pursuant to the laws of Texas. The Uniform Law on the International Sale of Goods shall not apply to this Agreement. The parties submit to the exclusive jurisdiction of the State Courts of Texas.

18.14 OTHER GOVERNMENT ENTITIES
Customer may, from time to time, enter into Interlocal Cooperation Purchasing Agreements with other governmental entities or governmental cooperatives to enhance the City's or other governmental entity's purchasing power or obtain the benefit of intergovernmental shared services. At the City's sole discretion and option, City may inform other Entities that they may acquire items listed in this Request for Offers. Such acquisition(s) shall be at the prices stated herein, and may be purchased by the City on behalf of other government entities for purposes of sharing services or through separate agreements between KABA and the other government entity.

Handwritten signature and date: 1/22/09

IN WITNESS WHEREOF, the authorized representatives of the parties hereby bind the parties by signing below:

[City of San Antonio]
"Customer"

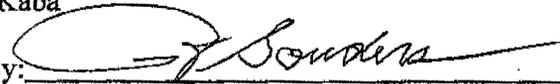
By: _____

Print Name: _____

Title: _____

Date: _____

Kaba Benzing America, Inc.
"Kaba"

By:  _____

Print Name: RICHARD V SOUDERS

Title: PRESIDENT + CEO

Date: 1/22/09

By:  _____

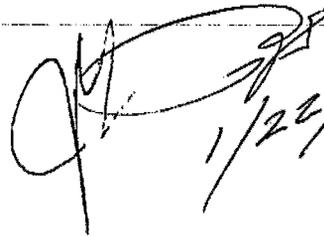
Print Name: Jesse K. Gunder

Title: VP of Sales & Marketing

Date: 1/21/09

Table of Attached Schedules and Exhibits

Schedule A	Pricing and Payment terms
Schedule B	Annual Maintenance Agreement (Software and Hardware)
Schedule C	Statement of Work
Exhibit A	Request for Competitive Sealed Proposal
Exhibit B	Kaba Workforce Solutions Customer Support Plan
Exhibit C	Kaba Master Preferred Escrow Agreement
Exhibit D	SBEDA Requirements


1/22/09

**Schedule A
Pricing and Payment Terms**

1. Pricing

The following table lists the name, description and price of software, hardware, professional services and maintenance available through this agreement. The quantity is the expected quantity to be purchased through the term of the agreement. However, the listed quantities may change over the course of the contract, based on customer requirements.

Software/Licenses				
Kaba Solution	Description	Expected Quantity	Cost per Unit	Total
B-COMM ERP CATS for SAP ERP*	User license	6,400	\$15	\$96,000
B-COMM ERP CATS Error-/Post-Processing	Report tool for time administrators	1	\$9,000	\$9,000
B-Client PDC5 XML Client for PC	Software for web-based/PC solution	12	\$1,200	\$14,400
B-COMM ERP CATS Absence Recording for SAP ERP	Records simple leave	0	\$9,000	\$0
B-COMM Visitor Management for SAP ERP (5 administrator licenses)	Allows contract employees to use time and labor data collection solution; includes "on premise" report	1	\$9,000	\$9,000
B-COMM ERP CATS Visitor Management for SAP ERP (\$300 per administrator-user)	Allows contract employees to use time and labor data collection solution; includes "on premise" report	35	\$300	\$10,500
B-COMM ERP CATS for SAP ERP HTML Timesheet (3,000 users)	Allows employees to view time statements via web	0	\$9,000	\$0
B-Net Mobile Server GPRS- 100	Enables use of PDAs for time collection solution	0	\$7,500	\$0
T & A Software and Cost Center Entry (for 100 devices)	Enables use of PDAs for time collection solution	0	\$40,000	\$0
Telliris 12-line IVR System (bilingual)	Enables use of land and cell phones for time collection solution (for 1,134 full-time users)	1	\$29,525	\$29,525
Telliris 4-line IVR System (bilingual)	Enables use of land and cell phones for time collection solution (for 375 users)	0	\$14,535	\$0
Telliris line expansion 4 to 8 lines	Enables phone as time collection solution (for up to 750 users)	0	\$11,625	\$0
Telliris line expansion 12 to 24 lines	Enables phone as time collection solution (for up to 1,166 users)	0	\$16,650	\$0
Telliris line expansion 24 to 48 lines	Enables phone as time collection solution (for up to 2,332 users)	0	\$24,825	\$0

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Software/Licenses				
Kaba Solution	Description	Expected Quantity	Cost per Unit	Total
Telliris line expansion 48 to 72 lines	Enables phone as time collection solution (for up to 3,498 users)	0	\$36,450	\$0
Telliris line expansion 72 to 96 lines	Enables phone as time collection solution (for up to 4,664 users)	0	\$43,050	\$0
Telliris line expansion 96 to 144 lines	Enables phone as time collection solution (for up to 6,996 users)	0	\$64,848	\$0
Telliris line expansion 144 to 192 lines	Enables phone as time collection solution (for up to 9,328 users)	0	\$76,896	\$0

Hardware						
Kaba Solution	Description	Expected Quantity	COSA List Price Per Unit (See "Payment Terms: Hardware" section)	-5% of Base Cost	+5% of Base Cost	Total
KBM-P9320-CBM500	Time clock terminal with biometric or badge option (no battery back-up)	0	\$2,043.74	\$1,914.55	\$2,145.93	\$0
KBM-9340BA-CBM500	Time clock with biometric, badge and keypad options plus UPS battery back-up	132	\$2,903	\$2,757.85	\$3,048.15	\$383,196 (Based on list price)
KBM-9360BA-CBM500	Time clock with biometric, badge and keypad options plus ability to allow change of Cost Center, Work Order or WBS. Includes UPS battery back-up	42	\$3,809	\$3,618.55	\$3,999.45	\$159,978 (Based on list price)
KBM-9580S-BW-128M-HID	12.1' SVGA Terminal (kiosk) with HID Reader, BCOMM, 128M	3	\$4,880	\$4,636	\$5,124	\$14,640 (Based on list price)
KBM-ENROLL-ID	Enrollment Station Kit for CBM or 9120FP	1	\$2,143.75	\$2,036.56	\$2,250.94	\$2,143.75 (Based on list price)
KBM-MSO100	Enroll Station Kit (each additional site)	14	\$1,521	\$1,444.95	\$1,597.05	\$21,294 (Based on list price)
KBM-SOFT-HID	Custom HID (badge) Firmware	0	\$5,434	\$5,162.30	\$5,705.70	\$0

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Professional Services				
Kaba Solution	Description	Expected Quantity	Cost per Unit	Total
Project Implementation Services CATS	Consulting support for development, configuration and installation of Kaba solution	120	\$150 per hour	\$18,000
Consulting Support for Installation of Initial IVR System	Consultant support for development, configuration and installation of IVR (phone) solutions	1	\$6,500 flat fee	\$6,500
Project Implementation Services for BNet Mobile	Consulting support for PDA solution	0	\$150 per hour	\$0
Installation/Service Flat Rate per Module for B-COMM ERP for SAP	Consulting support for development, configuration and installation of: B-COMM ERP Visitor Management for SAP ERP	1	\$1,000	\$1,000
Travel Expenses	Travel and related expenses for all Professional Services delivered on-site. Travel-related expenses are not to exceed the published GSA guidelines.	N/a	\$4,944 (Estimate)	\$4,944 (Estimate)

Maintenance	
Software Maintenance	Software Maintenance rate of 18% for years 1 and 2 with a CPI adjustment in years 3-5 not to exceed 5% per year.
Hardware Maintenance	Hardware Maintenance is included in hardware purchase cost for year 1. Hardware Maintenance to lock at 10% for year 2 with a CPI adjustment in years 3-5 not to exceed 5% per year.

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2. Payment Terms

The Customer will make payment to Kaba on the following terms:

Software

Ninety percent (90%) of software license fees will be due Net 30 days upon delivery. Ten percent (10%) will be retained on all invoices for software. Retainage will be released Net 30 days upon "Acceptance" of each deliverable and go-live of the Time and Labor Data Collection Solution for Phases I and II. Such Acceptance shall not be unreasonably withheld. Retainage will be released Net 30 days upon "Acceptance" of each deliverable and testing of time transferred from the time collection device to SAP CATS for Phase III and all future phases. Such Acceptance shall not be unreasonably withheld.

B-COMM license pricing is based upon the count of all employees (hourly, salary, contract, and temporary) in the employee master table. The Customer has the right to add employees at the above rates in blocks of 100 for length of the contract or a period of two years as long as the license agreement and the annual maintenance and Support agreement are in effect.

Hardware:

Ninety percent (90%) of hardware costs will be due Net 30 days upon delivery. Ten percent (10%) will be retained on all invoices for hardware. Retainage will be released Net 30 days upon "Acceptance" of each deliverable and go-live of the Time and Labor Data Collection Solution for Phases I and II. Such Acceptance shall not be unreasonably withheld. Retainage will be released Net 30 days upon "Acceptance" of each deliverable and testing of time transferred from the time collection device to SAP CATS for Phase III and all future phases. Such Acceptance shall not be unreasonably withheld.

After the first 180 days, hardware prices will be subjected to a month-end adjustment based on the Euro/U.S. exchange rate. The price shall be adjusted for each immediately ensuing month after the initial 180 day period by the difference between the Euro: Dollar conversion rate as published or posted by the *Wall Street Journal* on (1) the American business day nearest to the first day of that contract month and (2) the American business day nearest to the last day of that contract month. If (1) is greater than (2), the price shall be reduced by the difference, and if (2) is greater than (1), the price shall be increased by the difference. Provided, however, that the price adjustments shall not increase or decrease over the entire term of this agreement more than 5% over or under the price during the first 180 days of this Agreement.

The table on page 3 indicates the list price of each hardware item to be purchased as well as the potential -5% / +5% fluctuations due to the Euro: Dollar conversation rate. The fluctuation represents the lowest price and the highest price COSA will pay for a given hardware item during the course of the contract.

Adjustments to hardware prices will be based solely on the Euro: Dollar exchange rate as published or posted in the *Wall Street Journal* and will take effect only if other Kaba customers are paying similar adjustments. Kaba shall make available contract pricing information for other Kaba customers for verification.

Software, Professional Services and Maintenance are not subject to a monthly adjustment based on the Euro/Dollar exchange rate.

Price does not include installation and setup and is shipped FOB Miramar, FL. If the bit pattern used by Customer is not a standard HID bit pattern, there will be a one time set up charge of \$5,625.

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Professional Services:

Ninety percent (90%) of professional services costs will be due Net 30 days upon receipt, billed on a monthly basis. 10% of professional services costs will be held as a retainage, which will be due Net 30 days upon "Acceptance" and go-live of the Time and Labor Data Collection Solution for all phases of the Time and Labor Data Solution implementation. Such Acceptance shall not be unreasonably withheld.

Kaba shall bill for all Professional Services provided in direct relation to the project, including travel time, at \$150 per hour, up to the estimated amount of time provided in Schedule A and for all travel, meal and lodging expenses incurred during the Site Survey, Planning and Implementation phases of the project at Kaba's actual cost, but not to exceed the published GSA guidelines. No retainage will be held on travel, meal and lodging expenses. The abovementioned hourly rate shall remain in effect for a period of two years from date of execution of the Agreement. The hourly rate is subject to change each year thereafter in accordance with Kaba's published price list. Development of Modifications in accordance with Customer's requirements is billed at the per hour rate listed in Schedule A.

Maintenance:

First fiscal year's annual software maintenance costs will be due Net 30 days upon receipt of an invoice by the City and upon go-live and acceptance of each of the initial two phases (Phases I & II)

Beginning in year 2 of agreement, hardware and software maintenance will be paid Net 30 days upon receipt of an invoice on an annual basis.

Kaba provides software maintenance at 18% of the list price of the B-COMM software license and software modifications. The initial maintenance period shall be for one year from the date of Acceptance and thereafter shall automatically renew each year based on the City of San Antonio's Fiscal Year (October 1) in accordance with the terms of this Agreement unless Customer notifies Kaba in writing of its intent not to renew at least ninety (90) days prior to the renewal date. Procedures for software maintenance are set forth in the Kaba Maintenance Agreement (Schedule B). The subsequent terms of maintenance will renew at a percentage adjusted to the annual US Consumer Price Index ("CPI").

For the City of San Antonio's 2008-09 Fiscal Year (October 1, 2008-September 30, 2009), Kaba will pro-rate its software maintenance fees for any software implemented within that time frame for the remainder of the FY 08/09 fiscal year.

For the City of San Antonio's 2009-2010 Fiscal Year (October 1, 2009 - September 30, 2010), Kaba will pro-rate its software maintenance fees for any software implemented within that time frame for the remainder of the FY 09/10 fiscal year.

For the City of San Antonio's 2010-2011 Fiscal Year (October 1, 2010 - September 30, 2011), Kaba will pro-rate its software maintenance fees for any software implemented within that time frame for the remainder of the FY 10/11 fiscal year.

Kaba provides hardware maintenance at 10% (for 30-day turn around) of the listed price of each hardware item. In addition to this warranty and both during and after the Hardware Warranty Period, Kaba shall

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if requested and subject to the payment of the following fees provide depot hardware maintenance for Kaba terminals. Fees associated with three (3) business day turnaround (14%), seven (7) business day turnaround (12%), and for thirty (30) day turnaround (10%) (days from time of receipt at Kaba) are based on the terminal type, turnaround selected and continuous maintenance support per annum.

Acceptance

All work product delivered to the City of San Antonio hereunder (the "Deliverables") shall be submitted to the City Project Manager or his or her written designee for approval and that such Deliverables comply in all material respects with the requirements as set forth in the Statement of Work.

In the event of any nonconformity or nonfunctionality of Deliverables, the City shall provide Kaba written notification within 30 days of delivery. Upon receipt of such notice of nonconformity or nonfunctionality, Kaba shall have 14 days to cure the nonconformity or nonfunctionality.

Upon delivery of the cure, the City will have 14 days to evaluate and determine if such cure is acceptable. In the event the Deliverable remains unacceptable, the City will provide a second notice of nonconformity or nonfunctionality of the system within 14 days of delivery. Kaba shall have an additional 14 days to cure the nonconformity or nonfunctionality.

Upon delivery of the cure, the City will have 14 days to evaluate and determine if such cure is acceptable. In the event the Deliverable remains unacceptable the City will provide Kaba with a third notice of any nonconformity or nonfunctionality of the system and Kaba will forfeit 50% of retained balances on hold with the City at the time the third notice is provided to Kaba.

Upon final acceptance, Kaba shall invoice the City for the 10% final acceptance hold-back payment.

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City of San Antonio

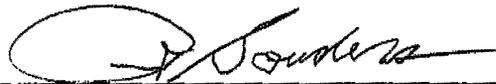
Signed: _____

Name: _____

Title: _____

Date: _____

Kaba Benzing America, Inc.


Signed: _____

RICHARD V. SOUDERS
Name: _____

PRESIDENT & CEO
Title: _____

1/22/09
Date: _____

Kaba Benzing America, Inc.


Signed: _____

Jesse K. Gunder
Name: _____

VP of Sales & Marketing
Title: _____

1/21/09
Date: _____

SCHEDULE C**STATEMENT of WORK
To
Master Services Agreement ("Agreement")
Between KABA and Customer****Project Name: Customer B-COMM for SAP**

This Statement of Work ("SOW") describes the Services to be provided to the City of San Antonio (Customer) in support of the Project (as defined below) at the rates listed in Schedule A of this Agreement, which is hereby incorporated by reference. The SOW is governed by the terms and conditions of the Master Service Agreement by and between the parties dated as of _____ (the "Agreement"). Capitalized terms used herein and not otherwise defined will have the meanings given to them in the Agreement.

Scope

Kaba Workforce Solutions will provide a Time and Labor Data Collection Solution that will enable COSA to capture precise employee work times, using time clock devices, PC-based time clocks, and telephones, and send them to SAP CATS in real time. The Kaba system will be a "turn key" solution that will encompass time collection hardware, software, interface/connector, implementation services, project management support and ongoing training and technical support. Requirements to accomplish this scope are described in the Request for Competitive Sealed Proposal (RFCSP), which is the prevailing document.

Customer requires Kaba consulting services for implementation and integration support for the Time and Labor Data Collection Solution hereinafter referred to as the "Project." The Kaba consultant(s) assigned to this Project will assist Customer with the implementation, integration and training.

Project objectives

- 100% accuracy in capturing employee work times and transferring that data to SAP CATS for an estimated 6,400 end users on the system, reducing time entry errors
- All end users are able to use system easily and with confidence that their work time will be captured accurately; and that no other employees can use their fingerprint algorithms or voice identification.
- COSA time administrators are proficient in being able to identify issues and problems related to employees' punch ins/outs using the Kaba Error-/Post-Processing Report in conjunction with SAP tools for reconciliation purposes
- Overall reduction in work hours spent by COSA on time administration.

The Project will start on _____, and has an estimated completion date of _____ ("Duration"). The Consultants will work on the Project during this time, and provide support as specified by Customer during the productive stage of the Project according to the project plans. Implementation will be phased by departments and will be detailed in the project plan.



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Kaba must provide the solution, including installation, testing and Go Live, to the first group of COSA's departments within 180 days of project initiation.

Kaba must provide consultation for installation, SAP integration, testing, training and other necessary matters during all phases of the project, including departmental roll-outs that occur after the initial Go Live.

Kaba must coordinate all changes through COSA's established change management process during the project.

Kaba must provide training on utilization of the time and labor data collection solution to COSA staff before roll-out; training must be available both online and onsite, where applicable.

Kaba must provide a detailed phased project plan in Microsoft Project as it pertains to the Kaba deliverables.

Kaba must provide tenured expertise with knowledge of configuring all hardware components for time entry, including integration to and from SAP.

Kaba must provide change management services to aid in preparing and planning for the system implementation to gain employee and management acceptance, manage costs and ensure the smoothest possible deployment.

Kaba's system must be flexible enough to allow customization to meet operational and regulatory needs: customization may include adding fields and tables, modifying forms altering layout/view of data for system users. Customization can delay the rollout and result in increased cost.

Project Assumptions

- a) Customer is owner of the Project and is responsible for and controls the implementation, scope, costs, resources and targeted solutions. Customer shall designate a Project Manager to work with the KABA Consultant Project Manager to facilitate the provision of the Services. It is expected that the first implementation and Go Live for the Kaba solution will be within 180 days of signing this agreement. However, it is mutually understood that business requirements, resources and dates may change. Customer is responsible for revising the estimated project plans and requesting changes to the requirements for KABA Services. The KABA Project Manager will assist in planning the project, selecting resources and quality checking the activities and progress.
- b) For the Project the following individuals will fill Project Management roles:
 - i) ~~Customer Project Manager: Suzanne Guerra, Financial Operations Administrator~~
 - ii) Kaba Project Manager Elie Aslou
- c) Customer agrees to provide appropriate project resources, including, but not limited to, equipment, data, information and workspace, to facilitate the performance of the Services, as follows:
 - i) Workspace "war room" for consultant with PCs, printers, phone lines and project infrastructure.
 - ii) Access to Customer's software deployment environment (network, servers etc).
 - iii) Conference rooms to conduct meetings/interviews.


1/22/09

- d) Customer must provide a Test environment for the B-COMM solution in addition to the Production environment. The Test environment should be identical to the Production environment except for sizing. For example, the Test environment should have identical OS versions, Database versions and associated Service Packs etc.
- e) Customer may choose to have additional environments (in addition to Test or Production) for other purposes such as Training, Development etc. However, during the implementation phase, Kaba will be responsible for actively supporting its solution suite (including Kaba supplied interfaces) only for the Test and Production environments.
- f) The IT Recommendations prepared by Kaba for the implementation must be adhered to. Kaba cannot guarantee performance of the solution if these recommendations are not met. Kaba will adhere to the City's technical standards in the recommendation of technical infrastructure requirements.
- g) Customer will be responsible for installing the Server OS (and IIS for the Web Servers, if required) and installing the database client software within each of their environments (Test, Production, etc). Customer will also be responsible for the installation, creation, maintenance (including updating statistics) and backup strategy for the production and other (test, training) database instances for B-COMM.
- h) Customer resources will be responsible for the installation of the B-COMM software on the production servers. A Kaba resource will be available to walk through this process with the customer resource(s).
- i) Customer Trainer resource will be responsible for End User Training. Kaba PM will conduct a train-the-trainer course to train the Customer Trainer. Customer Trainer resources will be responsible for customizing the training materials if needed.
- j) Kaba will provide a draft B-COMM Operations Guide based on Kaba best practices. Customer will be required to assist with the completion of the B-COMM Operations Guide.
- k) Customer will be responsible for the physical installation of the Kaba terminals. An Ethernet connection and appropriate power connection is required in order to physically install the Kaba terminals.
- l) Kaba will need to use teleconferencing services during the course of the project for project-related activities. Unless the Customer makes these services available for this project, Kaba will provide their own teleconferencing and services.
- m) In case of Upgrade Projects, ~~unless otherwise defined, the implementation only covers the upgrade of the existing configuration and processes to the new version. If there are additions/changes to the configuration and/or additions/changes to existing processes, additional implementation hours will be required.~~
- n) In addition to the Kaba Project Manager, other Kaba Shared Services resources such as Subject Matter Experts, Interface Consultants, QA, IT, Technical Support and Development resources may provide billable consulting services as needed.
- o) Consultants will have access to Customer subject matter experts to facilitate the completion of the Deliverables.


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- p) If there are additional requirements that arise, and additional days are required, a change order to this SOW will be created to address the needs.
- q) Customer agrees that any change to or Customer's failure to fulfill any of the Project Assumptions set forth above may affect Kaba's ability to provide Services hereunder and that Kaba's fees and the timeline may be subject to change.
- r) Kaba is SAP-certified in Human Resources – Plant Data Collection – Time and Attendance and Employee Expenditures (HR-PDC) integration. This certification must be maintained with future release versions of SAP. In cases of SAP release versions, Kaba is required to make any necessary upgrades/changes to their system to maintain functionality at COSA. Kaba must demonstrate experience integrating with SAP CATS.
- s) It is mutually understood that unanticipated issues and problems may arise during the course of planning, executing, testing and other aspects of a technology implementation project. Should such issues arise during the Project, COSA and Kaba commit to work together quickly and diligently to promptly resolve them in order to stay on schedule and on budget.
- t) Kaba agrees to provide Go Live support through its Project Manager and/or technical support personnel assigned to the project, not just Help Desk support, for at least the first and second Go Lives of the project, even if those Go Lives occur on a Saturday or Sunday. Subsequent Go Lives may require similar Go Live support from Kaba.

Approach

The Project strategy will include the step-by-step approach as outlined in the Detailed Project Plan, which will be developed cooperatively between Kaba and Customer.



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Estimated Project Timeline

The time and labor data collection solution is estimated to begin on or around February 2009 and will be implemented in several phases in order to manage the deployment as well as the change impact on the City of San Antonio. The estimated timeframes for each phase are presented below. Timeframes for each phase are preliminary estimates for planning purposes only and are subject to change based on requirements gathering and the development of a formal work plan.

Phases	Proposed Departments	Estimated Timeframe
1	<ul style="list-style-type: none"> - Aviation - Solid Waste - Animal Care 	March 2, 2009 – August 31, 2009
2	<ul style="list-style-type: none"> - Park & Recreation - Capital Improvements Management Services 	June 1, 2009 – November 30, 2009
3	<ul style="list-style-type: none"> - Public Works - Development Services 	December 1, 2009 – February 28, 2010
4	<ul style="list-style-type: none"> - Asset Management - Housing & Neighborhood Services - Downtown Operations - SACVB - 311/Customer Service - Council Support 	March 1, 2010 – May 31, 2010
5	<ul style="list-style-type: none"> - Community Initiatives - Convention, Sports & Entertainment Facilities - Purchasing & Contract Services - Fleet Maintenance 	June 1, 2010 – August 31, 2010
6	<ul style="list-style-type: none"> - Municipal Court - Library 	September 1, 2010 – November 30, 2010
7	<ul style="list-style-type: none"> - Health 	December 1, 2010 – February 28, 2011
8	<ul style="list-style-type: none"> - Fire/EMS (Civilian) 	TBD
9	<ul style="list-style-type: none"> - Police (Civilian) 	TBD



Deliverables

Deliverable I:	Detailed Project Workplan
Description:	<p>The Detailed Project Workplan for the Kaba Time & Labor Data Collection Solution will be owned and maintained by COSA in Microsoft Project. The Detailed Project Workplan will be incorporated into COSA's overall Time Management Project Workplan</p> <p>Kaba will develop all elements of the Detailed Project Workplan that pertain to tasks and responsibilities for which they are responsible. Kaba will provide their workplan electronically to the COSA Project Manager for incorporation into the overall project plan. Kaba will provide updates and revisions to their part of the workplan as necessary</p> <p>The Detailed Project Workplan will describe and schedule the tasks and resource assignments required to complete the activities set forth in this Statement of Work and the Request for Competitive Sealed Proposal (RFCSP), which is the basis of the Agreement between Kaba and COSA</p> <p>The Detailed Project Workplan will be used to monitor project progress</p> <p>The Detailed Project Workplan will be updated as required by both the COSA Project Manager and Kaba Project Manager</p> <p>The Detailed Project Workplan will be used for scope issues management and to provide status reports as necessary to team members, Steering Committee members and other stakeholders</p>
Deliverable Acceptance Criteria:	<p>Kaba will provide a detailed Project workplan specific to the implementation of the Time and Labor Data Solution as proposed. The plan will be at a level that clearly defines tasks, due dates, durations, resource requirements and responsibilities for those tasks related to the implementation of the Time and Labor Data Collection Solution. The work plan will be incorporated into the overall Time Management Project.</p> <p>The Detailed Project Workplan will be updated or adjusted as required.</p> <p>The Detailed Project Workplan is maintained and monitored in Microsoft Project</p> <p>The Detailed Project Workplan has tasks defined to a level of no more than two weeks in duration</p>
Designated Acceptor:	Suzanne Guerra
Delivery Acceptance Time:	Within two weeks of the Agreement effective date

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1/22/09

Deliverable II:	Requirements Gathering; Infrastructure/Hardware
Description:	<p>This deliverable will encompass the following:</p> <ul style="list-style-type: none"> • Hardware Planning and Requirements • System Configuration Requirements • Server Requirements, procurement and installation for Development Environment • Server Requirements, procurement and installation for Production Environment • Terminal Requirements • IVR Requirements • PC Requirements (for PC-based solution)
Deliverable Acceptance Criteria:	<p>Kaba will provide a structured approach to requirements gathering, which may include meetings, consultations, workshops, focus groups and surveys of appropriate COSA team members and subject matter experts</p> <p>Assessment of supporting systems and technologies</p> <p>Requirements gathering will result in Specifications and Documentation for Infrastructure/Hardware (see Deliverable IV) in the following forms:</p> <ul style="list-style-type: none"> • Written Specifications • Step-by-Step Guides • B-Comm Operations Guide
Designated Acceptor:	Suzanne Guerra
Delivery Acceptance Time:	Within six weeks of the Agreement effective date

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Deliverable III:	Requirements Gathering; Software
Description:	<p>The deliverable will encompass the following:</p> <ul style="list-style-type: none"> • Written Functional Specifications • Written Technical Specifications • Step-by-Step Clock Configuration Guides • B-COMM ERP CATS Operations Guide • Step-by-Step B-COMM Configuration Guides • Step-by-Step B-COMM ERP CATS Error/Post-Processing Guide • Step-by-Step SAP ALE Configuration Guide
Deliverable Acceptance Criteria:	<p>Kaba will provide a structured approach to requirements gathering, which may include workshops, meetings, focus groups and surveys of appropriate COSA team members and subject matter experts</p> <p>Requirements gathering will result in Specifications and Documentation for Software (see Deliverable V) in the following forms:</p> <ul style="list-style-type: none"> • Written Specifications • Step-by-Step Guides • B-Comm Operations Guide
Designated Acceptor:	Suzanne Guerra
Delivery Acceptance Time:	Within six weeks of the Agreement effective date

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Deliverable IV:	Specifications and Documentation: Infrastructure/Hardware
Description:	<p>Kaba will supply complete system documentation</p> <p>Kaba will provide a draft B-COMM Requirements Guide based on Kaba best practices. COSA will assist with the completion of the guide where necessary</p> <p>Kaba will supply complete technical specifications for installation of the software on COSA's servers, PCs, mobile computers and IVR system in printed and electronic formats</p> <p>Kaba will supply complete technical specifications for installation of hardware in printed and electronic formats</p> <p>Kaba will supply specifications for network transport in printed and electronic formations</p> <p>Kaba will provide documentation for hardware support</p>
Deliverable Acceptance Criteria:	<p>COSA receives thorough, easily understood written documentation for all aspects of infrastructure hardware configuration, installation, use and support</p> <p>The B-COMM Requirements Guide will be complete by the first Go Live</p>
Designated Acceptor:	Suzanne Guerra
Delivery Acceptance Time:	To be determined in the development of Project Work Plan (Deliverable I)

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Deliverable V:	Specifications and Documentation: Software
Description:	<p>Kaba will supply complete system documentation</p> <p>Kaba will provide a draft B-COMM Requirements Guide based on Kaba best practices. COSA will assist with the completion of the guide where necessary</p> <p>Kaba will provide documentation for software support</p>
Deliverable Acceptance Criteria:	<p>COSA receives thorough, easily understood written documentation for all aspects of software configuration, installation, use and support</p> <p>The B-COMM Requirements Guide will be complete by the first Go Live</p>
Designated Acceptor:	Suzanne Guerra
Delivery Acceptance Time:	To be determined in the development of Project Work Plan (Deliverable I)

Deliverable VI:	Software/Licenses
Description:	<p>Kaba will provide B-COMM software and licenses that meet the requirements listed in the Request for Competitive Sealed Proposal (RFCSP) and which Kaba stated it could meet in its Proposal</p> <p>Kaba will deliver and provide B-COMM installation and testing in the development environment</p>
Deliverable Acceptance Criteria:	B-COMM software functions as expected (as described in the RFCSP)
Designated Acceptor:	Suzanne Guerra: Olga Bennett
Delivery Acceptance Time:	To be determined in the development of Project Work Plan (Deliverable I)

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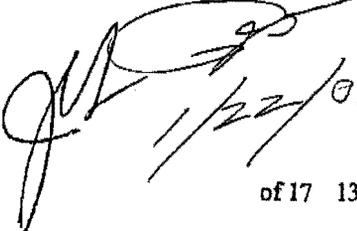
Deliverable VII:	Hardware
Description:	<p>Kaba will provide time collection hardware, time clock terminal, IVR and enrollment stations that meet the requirements listed in the Request for Competitive Sealed Proposal and which Kaba stated it could meet in its Proposal</p> <p>Kaba will provide terminal functionality configuration for the development environment, including integration to and from SAP</p> <p>Kaba will provide terminal functionality configuration for the production environment</p>
Deliverable Acceptance Criteria:	All hardware functions as expected (as described in the RFCSP)
Designated Acceptor:	ITSD Infrastructure Team (TBD)
Delivery Acceptance Time:	To be determined in the development of Project Work Plan (Deliverable I)

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Deliverable VIII:	Training & Change Management
Description:	<p>Kaba will provide on-site training of designated COSA team members, including ITSD and Project Team members</p> <p>Kaba will conduct a train-the-trainer course for the Customer Trainer(s), who is responsible for training end users and time administrators</p> <p>Kaba will provide written and electronic documentation of all training</p> <p>Kaba will provide materials to support end user training, such as images of time clock terminals</p> <p>Kaba will provide change management services to aid in preparing and planning for the system implementation to gain employee and management acceptance, manage costs and ensure the smoothest possible deployment</p>
Deliverable Acceptance Criteria:	<p>On site instruction sessions are held. On-site instruction must support the trainees' job tasks and enable them to accomplish their job tasks related to the Time and Labor Data Collection Solution</p> <p>Training materials must be provide in written and electronic forms and can include:</p> <ul style="list-style-type: none"> • Training Guides (written and electronic formats) • Training Manuals (written and electronic formats) • PowerPoint Presentations
Designated Acceptor:	Suzanne Guerra
Delivery Acceptance Time:	To be determined in the development of Project Work Plan (Deliverable I)

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Deliverable IX:	Testing/Verification
Description:	<p>Kaba PM is primarily responsible for supporting test plan creation for unit, system, hardware and integration testing. This testing will include full integration testing through the accurate and successful printing of paychecks. Customer PM will assist in a secondary role in hardware and integration testing.</p> <p>The Project will encompass User Acceptance Testing (UAT) and Parallel Testing, which will be conducted before Go Live. The Customer Project Manager is primarily responsible for creating and managing plans for both UAT and Parallel Testing. Kaba PM will assist in a secondary role.</p> <p>Issues/problems that are identified during all testing will be addressed and successfully retested</p>
Deliverable Acceptance Criteria:	<p>All testing will require a formal sign-off, to be signed by both the Customer Project Manager and the Kaba Project Manager, that it has been completed. Sign-off cannot occur until all identified issues/problems have been resolved.</p> <p>Based on Kaba's prior implementation and integration experience of Time and Labor Data Collection Solutions, Kaba will provide test scripts specific to the Kaba solution and the integration with SAP CATS. The test scripts will be incorporated into the overall testing plan.</p> <p>Kaba will define/document the cause of any problem identified during unit, system, hardware and integration testing and will also document software errors, should they occur.</p> <p>Kaba will facilitate the resolution of, and furnish the corrective action, to fix any failures that occur during unit, system, hardware and integration testing.</p> <p>Kaba will assist, when appropriate, in the resolution of problem that arise during User Acceptance and Parallel testing.</p>
Designated Acceptor:	Suzanne Guerra
Delivery Acceptance Time:	To be determined in the development of Project Work Plan (Deliverable I)


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Deliverable X:	Go Live Support
Description:	<p>Kaba will provide Go Live support through its Project Manager and/or technical support personnel assigned to the project for at least the first and second Go Lives of the project, even if those Go Lives occur on a weekend</p> <p>Kaba may be required to provide Go Live support in subsequent Go Lives. Customer will determine if this support is required for a Go Live</p> <p>Kaba will provide best practices information to help Customer ensure successful Go Live</p> <p>Kaba will assist in setting up production environment</p> <p>Kaba will support cutover activities</p> <p>Kaba will help develop and participate in Go/No Go assessments and related presentations and meetings</p>
Deliverable Acceptance Criteria:	<p>Kaba actively contributes to and is available as needed during cutover activities and Go Live support</p> <p>Kaba will provide a Go/No Go risk assessment and recommendation prior to cutting over to the new Time and Labor Data Collection Solution and present to the project steering committee.</p>
Designated Acceptor:	Suzanne Guerra
Delivery Acceptance Time:	To be determined in the development of Project Work Plan (Deliverable I)

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Deliverable XI:	Project Management
Description:	<p>Kaba will provide a Project Manager to the COSA project for the duration of the project</p> <p>The Kaba Project Manager will provide and manage the identification and completion of all Kaba assigned tasks.</p> <p>The Kaba Project Manager will provide Kick-Off Event and Project Definition</p> <p>The Kaba Project Manager will lead all aspects of the Time & Labor Data Collection Solution Project for Kaba</p> <p>The Kaba Project Manager will be readily available to the Customer Project Manager and designated Customer project team members.</p> <p>The Kaba Project Manager will provide status reports and other information as requested to the Customer Project Manager and will be available for Status, Team and Steering Committee meetings as needed</p> <p>Kaba will provide other resources to assist their Project Manager as needed, including interface consultants, quality assurance consultants, information technology and technical support consultants, development resources, subject matter experts, and others</p>
Deliverable Acceptance Criteria:	<p>The Detailed Project Plan is thorough and well-managed, with the Project meeting deadlines and budget</p> <p>Kaba Project Manager is readily available throughout the Project</p> <p>Customer receives accurate, timely information and guidance from Kaba Project Manager</p>
Designated Acceptor:	Suzanne Guerra
Delivery Acceptance Time:	Throughout Project

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Kaba Responsibilities

Kaba will lead the implementation and training to meet the Deliverables for the Project.

Customer Project Team Resource Requirements

The customer will be responsible for assembling a project team with individuals that possess the skills and qualifications given below corresponding to their roles on the team.

Role	Name	Skills	Commitment
Project Manager	Suzanne Guerra	Project Management	70%
ITSD Representative	Olga Bennett	Application Support: SAP, Development, Implementation;	40%
Time Management	Juanita Carabajal and Finance Payroll	Business rules and processes for time entry and evaluation	10%
Educational Training	David Funches	Define learning and development processes/train users	10%
IT Representative	Kevin Goodwin	Install and support Databases, Servers, and terminals	50%
SAP SME	April Lerner	Assist in setting up SAP	30%
Infrastructure	Kevin Goodwin	Infrastructure, Hardware, Network	10%
Project Sponsor	Troy Elliott	Project Sponsor	10%

Assigned Kaba Consultants

Kaba will support the Project implementation by providing consultants to support implementation and training. Customer agrees and understands that the assigned Kaba Consultant(s) will occasionally perform Services on the Project implementation from a Kaba office.

COSA will have final approval of Kaba Project Manager selection and has the right to request a different Project Manager if Kaba is not meeting project requirements and expectations.

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Role	Skill	Name	Start Date
Project Manager	Implementation/Training	Elie Aslou	_____
Director of IT	Technical environment	Nasir Billoo	_____
Director of Technical Services	Terminal/badge requirements	Steve Slovin	_____
Director of Project Implementation Services	Project Management	Paul C. Giancola	_____

IN WITNESS WHEREOF, the parties have so agreed as of the date written above.

Accepted By:

Kaba Workforce Solutions, Inc.

By: *[Signature]*
 Print name: RICHARD Y. SOUDIERS
 Title: PRESIDENT + CEO
 Date: 1/22/09

By: *[Signature]*
 Print name: Jesse K Grandor
 Date: 1/21/09

Accepted by:

City of San Antonio

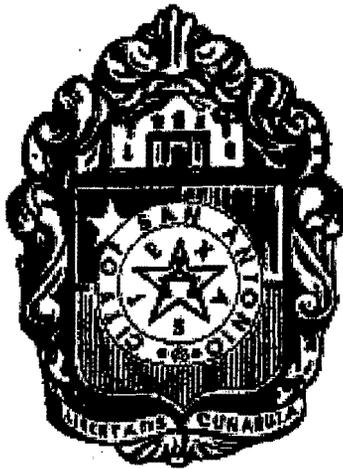
By: _____
 Print name: _____
 Title: _____
 Date: _____

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EXHIBIT A

CITY OF SAN ANTONIO

FINANCE DEPARTMENT



REQUEST FOR COMPETITIVE SEALED PROPOSAL

for

**Time & Labor Data Collection Solution
(RFCSP)**

Issued: March 14, 2008

Proposals Due: April 18, 2008

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I. INTRODUCTION

The City of San Antonio (COSA or the "The Finance Department") seeks proposals for a Time & Labor Data Collection Solution (TLDCS). The objectives of the TLDCS are to automate the City's manual time and attendance entry, to include integration with SAP Cross Application Time Sheets (CATS), time collection hardware, software, implementation services, ongoing training and technical support from qualified Respondents interested in providing the services as described in this Request for Competitive Sealed Proposal (RFCSP). The City will procure the necessary connectors/interfaces, software modules and their hardware components as an integrated solution from one Respondent. Respondents of applications that fall within the Scope of Services herein may submit their proposals.

II. BACKGROUND

The City is undertaking a Time Management Project to streamline and standardize the collection and processing of time and leave across the organization. A SAP-integrated time collection solution is a key element of the project, which also encompasses centralized time administrators and self time entry in SAP by salaried, exempt staff members. The solution will replace paper-based time sheets, overtime cards and, ideally, paper-based leave requests for the most part. Some departments currently utilize simple stand-alone clocks that output time cards, but do not integrate with SAP. The City expects that SAP-integrated Time and Labor Data Collection solution will collect the time and leave information for most of COSA's civilian hourly, non-exempt staff, which numbers approximately 6,340. In total, COSA has approximately 11,800 full-time, part-time, temporary, and Fire and Police uniformed employees in 40 departments. Many departments have multiple work locations throughout the city – for example, the Library system has 25 branch libraries.

Because of the complexity of time management at COSA, the project is expected to be rolled out to individual departments or small groups of departments throughout FY 09 and FY 10. Implementation of a Time & Labor Data Collection Solution will be a vital part of COSA's overall Time Management Project and can potentially accelerate or impede the project timeline.

III. SCOPE OF SERVICES

The City is requesting a proposal for a Time & Labor Data Collection Solution that includes time collection hardware, software, interface/connector, implementation services, ongoing training and technical support. COSA requires a "turn-key" solution that will be completely supported by one Respondent. The selected Respondent will be required to be SAP-certified in Human Resources – Plant Data Collection – Time and Attendance and Employee Expenditures (HR-PDC) integration and to provide support for, including but not limited to, program patches, upgrades and database/development upgrades for their solution as they become available. We require that this certification be maintained with future release versions of SAP. The solution should be an in-house solution rather than a hosted solution.

A. Business Need/Justification/Objectives

Existing business processes are labor and paper-intensive and a more productive system is required in order to streamline the time entry and leave process, reduce errors and administrative effort, and increase operational efficiencies. The City has made a significant investment in its SAP system and would like to leverage and build upon this investment through the implementation of a front-end data collection system for time, attendance and leave.

B. Desired State

The desired state of business would allow for:

1. Streamlined time management processes through elimination of manual and non-electronic time sheets and paper leave request forms and the implementation of automated time collection devices.
2. Reduction of errors due to manual time entry.
3. Reduction of workload on current Time Administrator personnel and the redirection of excess capacity to other value-added activities.
4. Improve access to the display of leave balances and the leave collection and approval process.
5. Ability to detect and monitor trends.
6. Flexible and seamless interface with the City's SAP Cross Application Time Sheets (CATS) Application.
7. Provision of bilingual (English/Spanish) user device for employees.
8. Adoption of best practices with respect to time collection.
9. Quick and measurable return on the City's investment (Return on Investment - ROI).

C. Critical Success Factors

1. Rapid and Repeatable Implementation Methodology proven by previous implementations.
2. High end user satisfaction.
3. Measurable reduction of Time Administrator personnel.
4. Measurable reduction in data entry errors.
5. Measurable ROI.

IV. MANDATORY REQUIREMENTS

A. General Project Requirements:

1. The Respondent must have a proven track record of successful implementations of a time, attendance and leave collection solution with SAP in enterprises comparable in size and complexity to the City, preferably within public sector organizations.

2. The Respondent must provide consultation during all phases of the project. This shall include, but not be limited to, making specific hardware recommendations regarding minimal and preferred technical specifications and best practice recommendations for time, attendance and leave collection related processes.
3. The Respondent must supply technical specifications for installation of the software on COSA desktop PCs, mobile computers (e.g. laptop/tablet PC/hybrid devices), and servers.
4. The Respondent must provide technical specifications for network transport, including the TCP/IP ports and protocols used to support the software. The system must be compatible with COSA Information Technology Services Department's (ITSD's) security protocols, including firewall/proxy settings. The Respondent must coordinate all changes in network connectivity requirements, including ports and protocols, through ITSD's established change management process.
5. The Respondent must provide training to all staff before roll out, including non-production environment simulations during User Acceptance Testing. This training must be available both online and onsite at COSA. Further onsite training must occur during the month before and month after initial implementation and roll out of any key phases. The system manual shall be maintained for the period of the contract with each current system upgrade and shall be available in a compressed, searchable PDF format. Manuals will be provided on cd-rom in addition to online versions.
6. System must be shipped with complete system documentation, including "how to" guides for managers and employees, as well as database views and reference guides for system administrators. Respondent must offer a variety of training delivery options, such as live instructor classroom training, onsite training, train-the-trainer, internet-based courses, and self-paced tutorials.
7. Respondent must provide evidence of phased project implementation methodology.
8. Respondent must provide tenured expertise with knowledge of configuring all hardware components for time entry, including integration to and from SAP.
9. Respondent must provide change management services to aid in preparing and planning for the system implementation to gain employee acceptance, manage costs, and ensure the smoothest possible deployment of the new systems and processes.
10. Respondent must demonstrate experience integrating with SAP CATS.
11. System must provide the ability to round up shift start times.
12. Respondent must provide solution to first group of City Departments within 180 days of City Council approval.

13. Respondent must include copy of SAP certificate in Human Resources – Plant Data Collection – Time and Attendance and Employee Expenditures (HR-PDC) integration with proposal. Please also include any other current SAP certification respondent may hold.

B. Functional Requirements:

1. System must interface with the SAP (CATS) to capture punch in and out times.
2. System must be capable of tracking edits historically.
3. System must be able to capture and accept a minimum of 150 payroll code types (e.g., regular time, personal leave, jury duty, sick, annual leave, etc.).
4. The system shall provide the user several help options including an online help system, web-based support, electronic documentation on a CD-ROM, etc.
5. The navigation from screen to screen shall maintain context and the system shall include default values, drop-down menus and auto fill features.
6. System must provide the option to restrict entries for inactive/terminated employees.

C. Technical Project Requirements:

1. The system shall offer complete integration to SAP CATS Time Sheet's various modules to provide concise data control and avoid data duplication.
2. The hardware and software solution proposed is required to collect time for and process large numbers employees with a high degree of accuracy, efficiently and quickly in order to minimize employee wait times at the proposed hardware solution.
3. The system shall have web browser administration based functionality.
4. The system shall provide system administration help options, including an online help system, web-based support, electronic documentation on a CD-ROM, etc.
5. The system shall provide scalability and flexibility in order to accommodate change.
6. The time and attendance collection hardware must be able to capture time for employees with dirt residue or other comparable substance on hands.

7. The system must be able to offer different hardware options such as but not limited to:
 - a. Biometric technology
 - b. Voice communication technology
 - c. Web technology
 - e. Radio Frequency Identification (RFID)
 - f. Scanner/Scantron
8. The system shall be flexible to allow customization to meet both operational and regulatory needs. It shall allow for complete customization, including the ability to add customized fields and tables, modify forms, and customize the layout/view of data per each system user. There shall be no additional charge for such functionality changes.
9. System must have time, attendance, and scheduling data available on a single, user interface with a consistent look and feel.
10. System must support multiple, data entry devices to record time, such as, but not limited to:
 - a. Electronic time clock
 - b. Personal computer (PC)
 - c. Telephone
 - d. Cellular phone
 - e. Pocket PC
 - f. Radio Frequency Card
 - g. Tokens
 - h. Scanning.
11. System must provide access profiles (roles) to define how a user can access the system and what the user can see and use: logon profiles, data access, and display profiles.
12. System must provide the ability to restrict the use of time entry codes by employee based on access privileges.
13. System must provide the ability to restrict the use of labor levels by employee-based on access privileges.
14. System must allow for control of display or non-display of absence and attendance codes.
15. System must provide the ability to receive set-up tables and have the changes reflected immediately (real time) for time entry and processing, including tight integration with SAP Time module for work schedule changes.
16. System must have ability to promote business rules from a test system to production and indicate when they should take effect.

17. System must include bi-directional interface tool to SAP CATS.
18. The system shall allow employees to view their total hours worked for a given work week and the entries from a given workday at any one group device regardless of device used to clock in/out.

V. PREFERRED REQUIREMENTS

1. The system should allow employees to view Leave Balances for up to at least ten (10) different types of leave accruals.
2. The system should allow employees to request leave during off-peak (low volume) times, not during high volume times such as shift start/end times.
3. System should have leave data available on a single, user interface with a consistent look and feel.
4. System should enforce the minimum number of leave hours that can be taken (e.g., sick time is only allowed in 8 hour increments).
5. System should allow for additions, edits, or deletions of leave events in current or prior pay periods within specified parameters.
6. System should provide daily leave accrual balances in real-time via the data collection device, telephony or Web.
7. The system should be able to make labor transfers at the time entry from other cost object, such as but not limited to:
 - a. Internal Orders
 - b. Cost Centers (other than home cost center)
 - c. WBS Elements
 - d. Work Orders
8. System should interface with the SAP (CATS) and accept time cost transfers between cost objects.
9. System should have the ability to track the time and attendance and handle scheduling of non-COSA staff such as temporary staff by delimiting record as a non-COSA. While this information would not be interfaced with the City's HR/Payroll system, it is important that the City be able to report on this activity and, at times, place a value on it.
10. System should provide user interface in multiple languages, specifically English and Spanish, on single device.

11. System should provide the ability to round up lunch times.

VI. SYSTEM SECURITY AND AUDITING REQUIREMENTS

1. The system shall provide a detailed audit trail of every transaction, including who created, corrected, and conducted overrides on specific records.
2. The system shall have different security groups which individual users' logon IDs shall belong to, including but not limited to: Time Administrators; Time Coordinators; IT Staff/System Administrators; and Data Entry Clerks. These groups shall be assigned different levels of permissions based on the nature of tasks. The System Administrators shall have unlimited security permissions and the ability to set or remove other groups or individual logon ID's permissions. Changes to group membership should also be limited to System Administrators.
3. The system shall include comprehensive security, including but not limited to: database security; file level security; and group security by staff type. The time, attendance and leave solution will require two forms of identification when punching in and out. Forms of identification will consist of employee ID, biometric or badge. The system shall require a logon ID and password for system users. The user may change their password or the System Administrator shall be able to reset a user's password. Encryption of all network traffic is required (including wireless).
4. System must restrict access to employee data through application security at various levels (e.g. Manager/Supervisor or Payroll Technician or Employee, etc.).
5. System must provide the ability to change security access when an employee is transferred from one entity to another and those changes must be effective immediately.
6. System must authenticate username and password with existing Active Directory.
7. System must provide an audit trail that details and stores edits made to an employee's time, attendance and schedule information.

VII. SYSTEM HARDWARE COMPATIBILITY REQUIREMENTS

1. The system shall provide a user-friendly interface for system navigation.

2. The Respondent is required to use hardware platforms which are supported by the City's Information Technology Services Department. If a model of hardware is recommended which is not currently supported by ITSD, the Respondent must coordinate with ITSD to ensure that ITSD is able to support that platform before it will be approved through the change management process.

VIII. CITY OF SAN ANTONIO NETWORK INFRASTRUCTURE LANDSCAPE

- A. The system shall operate within the current City of San Antonio network and server infrastructure. The system must function in an environment that includes:
 1. Solaris 9
 2. Windows Server 2003 Enterprise Edition
 3. Microsoft Virtual Server and VMWare
 4. Exchange Server 2000
 5. Microsoft Active Directory 2003
 6. Oracle 10g
 7. SQL Server 2000 Service Pack 4
 8. SAP R/3 4.7e Enterprise/ECC 6
 9. SAP Kernel 6.40
 10. Business Information Warehouse (BW 7.0)
 11. Microsoft Windows desktop Operating Systems
 12. Microsoft Office applications suite (Office 2000, XP, 2003)
 13. Microsoft Internet Explorer version 6/Microsoft Internet Explorer version 7
 14. Citrix Application Delivery Infrastructure
 15. Business Objects Crystal XI.

IX. SYSTEM TECHNICAL SUPPORT AND SERVICE

- A. The system shall be maintained by the Respondent with version upgrades published as necessary without additional charge beyond an annual maintenance fee. Respondent must provide an application release management strategy to include: update frequency; patch frequency; release end-of-life information; and patch distribution methodology. All software changes must be coordinated with the City's Information Technology Services Department. Also, all upgrades must adhere to the City's change and release management policies as specified by ITSD. These version upgrades shall be performed seamlessly by the Respondent and not require intervention by the users or COSA ITSD staff. Planned system upgrades causing downtime are to be performed during non-business hours for COSA (after 8:00 P.M. Central Standard Time Monday through Friday) and must finish before the start of the next business day (before 7:00 A.M. Central Standard Time Monday through Friday). Exceptions include: during the dates of Fiesta San Antonio, San Antonio Stock Show and Rodeo, or any other time specified by City of San Antonio Finance Department management to the Respondent.

- B. The management of the Finance Department and ITSD are to be notified in writing, preferably by email, at least ten (10) business days in advance before system upgrades causing down time occur for routine upgrades performed after business hours. The Finance Department and ITSD are to be notified by voice AND in writing by email at least two (2) hours in advance of any emergency upgrades causing down time DURING business hours. Coordination between the Respondent and the ITSD Service Desk is mandatory for all upgrades causing downtime.
- C. The Respondent shall provide technical support 24-hours-a-day, year-round. This support shall be available online and over the phone at no additional cost beyond an annual maintenance amount specified for the duration of the contract. Should a disaster sufficient to require the Respondent to travel to COSA occur, the Disaster Recovery Plan shall include the Respondent traveling to San Antonio at no additional cost to COSA to repair the problem. Minor problems must be responded to within one (1) hour of being reported to the Respondent and resolved within eight (8) hours of being reported to the Respondent. Major problems must be responded to within one (1) hour of being reported to the Respondent and resolved within twelve (12) hours of being reported to the Respondent. Disasters of sufficient scope to cause the Disaster Recovery Plan to go into effect must be responded to within one (1) hour, and resolved within twenty-four (24) hours of being reported to the Respondent. The Disaster Recovery Plan and Technical Support Plan must be provided to COSA for review as part of a proposal by Respondent. The Respondent must supply the exact methodology and protocols used when trouble calls are initiated by COSA users, including escalation decision protocols. This documentation must include the scope of support provided by the Respondent, and the scope of support expected to be provided by ITSD. Exact Service Level Agreements will be negotiated after Respondent selection.
- D. The system shall provide data disaster recovery features. All data will be preserved at all times. In the event of a disaster, all data shall be recovered with no loss.

X. INTELLECTUAL PROPERTY

If selected, Respondent agrees to abide by the following regarding intellectual property rights:

Respondent shall pay all royalties and licensing fees. Respondent shall hold the City harmless and indemnify the City from the payment of any royalties, damages, losses or expenses, ~~including attorney's fees for suits, claims or otherwise,~~ growing out of infringement or alleged infringement of copyrights, patents, materials and methods used in the project. It shall defend all suits for infringement of any intellectual property rights. Further, if Respondent has reason to believe that the design, service, process or product specified is an infringement of an intellectual property right, it shall promptly give such information to the City.

Upon receipt of notification that a third party claims that the program(s), hardware or both the program(s) and the hardware infringe upon any United States patent or copyright, Respondent will immediately:

Either:

- a. obtain, at Respondent's sole expense, the necessary license(s) or rights that would allow the City to continue using the programs, hardware, or both the programs and hardware, as the case may be, or,
- b. alter the programs, hardware, or both the programs and hardware so that the alleged infringement is eliminated, and
- c. reimburse the City for any expenses incurred by the City to implement emergency backup measures if the City is prevented from using the programs, hardware, or both the programs and hardware while the dispute is pending.

Respondent further agrees to:

- a. assume the defense of any claim, suit, or proceeding brought against the City for infringement of any United States patent or copyright arising from the use and/or sale of the equipment or software under this Agreement,
- b. assume the expense of such defense, including costs of investigations, reasonable attorneys' fees, expert witness fees, damages, and any other litigation-related expenses, and indemnify the City against any monetary damages and/or costs awarded in such suit;

Provided that:

- Respondent is given sole and exclusive control of all negotiations relative to the settlement thereof, but that Respondent agrees to consult with the City Attorney of the City during such defense or negotiations and make good faith effort to avoid any position adverse to the interest of the City,
- That the Software or the equipment is used by the City in the form, state, or condition as delivered by Respondent or as modified without the permission of Respondent, so long as such modification is not the source of the infringement claim,
- That the liability claimed shall not have arisen out of the City's negligent act or omission, and
- That the City promptly provide Respondent with written notice within fifteen (15) days following the formal assertion of any claim with respect to which the City asserts that Respondent assumes responsibility under this section.

XI. INTELLECTUAL PROPERTY INFRINGEMENT

The successful vendor agrees to indemnify and hold Client's affiliates, public officials, officers, directors, employees, attorneys, agents and clients harmless from and against any and all claims, costs, damages, losses, liabilities and expenses (including attorneys' fees and costs) arising out of or in connection with a claim alleging that the services provided or material used in development of the website infringes the Intellectual Property rights of a third party, including but not limited to Patents, Copyrights, Trademarks, Service Mark and Trade Secrets.

XII. FUNDING OUT CLAUSE

In the event that through no action initiated by the City of San Antonio, the City's legislative body does not appropriate funds for the continuation of this Agreement for any fiscal year after the first fiscal year and has no funds to do so from other sources, this Agreement may be terminated. To effect this termination, the City of San Antonio shall, 30 days prior to the beginning of the fiscal year for which funds are not appropriated, send the successful vendor written notice stating that the City of San Antonio failed to appropriate funds.

XIII. TERM OF CONTRACT

The anticipated term of the proposed contract will begin upon award by San Antonio City Council and terminate upon final acceptance. It is anticipated that all work will be completed within three years from the effective date. We expect all work will occur by phases as indicated in this RFSCP (Exhibit 1).

The City desires to have the Time & Labor Data Collection Solution implemented with the first group of City Departments within 180 days after City Council approval.

The City reserves the right to extend support and maintenance for three (3), one (1) year periods after completion of the project or at such time as the warranty expires. This support and maintenance shall include technical support, updates, patches, or revisions in the software.

XIV. PRE-SUBMITTAL CONFERENCE

A Pre-Submittal Conference will be held at the Riverview Towers, Finance Department, Lone Star Conference Room located at 111 Soledad, 5th Floor, San Antonio, Texas 78205, at **9:00 a.m., Central Time, on March 26, 2008.** Attendance at the Pre-Submittal Conference is optional, but strongly encouraged.

This meeting place is accessible to disabled persons. The Riverview Towers are wheelchair accessible. The accessible entrance is located at 111 Soledad. Auxiliary aids and services are available upon request. Interpreters for the Deaf must be requested at least 48 hours prior to the meeting. For assistance, call (210) 207-7245 Voice/TTY.

Any oral responses provided by City staff at the Pre-Submittal Conference shall be preliminary. A written summary of the Pre-Submittal Conference shall contain official responses, if any. Any oral response given at the Pre-Submittal Conference that is not confirmed in the written summary of the Pre-Submittal Conference or by a subsequent addendum shall not be official or binding on the City. Only written responses shall be official and all other forms of communication with any officer, employee or agent of the City shall not be binding on the City.

XV. PROPOSAL REQUIREMENTS

Respondent's Proposal shall include the following items in the following sequence:

- A. PROPOSED SOLUTION: The summary shall include a statement of the work to be accomplished, how Respondent proposes to accomplish and perform each specific service and unique problems perceived by Respondent and their solutions as described in RFCSP Attachment A. Technical Requirements are to be included in this summary.
- B. RESPONDENT QUESTIONNAIRE: Complete and submit RFCSP Attachment B, Respondent Questionnaire.
- C. DISCRETIONARY CONTRACTS DISCLOSURE: Complete, sign and submit RFCSP Attachment C, Discretionary Contracts Disclosure Form.
- D. LITIGATION DISCLOSURE: Complete and submit RFCSP Attachment D, Litigation Disclosure Form. If Respondent is proposing as a team or joint venture, then all persons or entities who will be parties to the contract (if awarded) shall complete and return this form with the proposal.
- E. SMALL BUSINESS ECONOMIC DEVELOPMENT ADVOCACY PROGRAM FORM: Complete a narrative statement, sign and submit RFCSP Attachment E.
- F. PRICING SCHEDULE: Complete and submit RFCSP Attachment F, Pricing Schedule Form.
- G. PROOF OF INSURABILITY: Submit a letter from insurance provider stating provider's commitment to insure the Respondent for the types of coverages and at the levels specified in this RFCSP if awarded a contract in response to this RFCSP. Respondent shall also submit a copy of their current insurance certificate.
- I. SIGNATURE PAGE: Respondent must complete, sign and submit the Signature Page found in RFCSP Attachment I. The Signature Page must be signed by a person, or persons, authorized to bind the entity, or entities, submitting the proposal.
- J. SAP CERTIFICATES: Submit a copy of your certification in Human Resources – Plant Data Collection – Time and Attendance and Employee Expenditures (HR-PDC) integration. Please also include any other current SAP certification respondent may hold.
- K. PROPOSAL CHECKLIST: Complete and submit the Proposal Checklist found in RFCSP Attachment J.

Respondent is expected to examine this RFCSP carefully, understand the terms and conditions for providing the services listed herein and respond completely. FAILURE TO COMPLETE AND PROVIDE ANY OF THESE PROPOSAL REQUIREMENTS MAY RESULT IN THE RESPONDENT'S PROPOSAL BEING DEEMED NON-RESPONSIVE AND THEREFORE DISQUALIFIED FROM CONSIDERATION.

XVI. ADDENDUMS TO RFCSP

Addendums regarding this RFCSP will be posted on the City's website at <http://www.sanantonio.gov>. It is Respondent's responsibility to review this site and ascertain whether any addendums have been made prior to submission of a proposal. A Respondent who does not have access to the Internet must notify City in accordance with Section XV, Restrictions on Communication, that Respondent wishes to receive copies of addendums to this RFCSP by mail.

No oral statement of any person shall modify or otherwise change or affect the terms, conditions or specifications stated in the RFCSP, and changes to the RFCSP – if any – shall be made by addendum only.

The only avenue for making changes to this RFCSP is a published Addendum. Addendums are posted to the City's website and to <http://www.demandstar.com/>. If there is a conflict between anything contained on the website, demandstar, and the signed and issued Addendum; the Addendum will control.

XVII. SUBMISSION OF PROPOSALS

- A. Respondent shall submit one (1) original, signed in ink and ten (10) of the Proposal, in a sealed package, clearly marked on the front of the package **Time & Labor Data Collection Solution RFCSP**. All Proposals must be received in the City Clerk's office no later than **11:00 a.m., Central Time, on April 18, 2008** at the address below. Proposals submitted prior to the above time and date may be modified provided such modifications are sealed and received by the City Clerk's Office prior to the time and date set for submission of proposals. Any Proposal or modification received after this time shall not be considered.

Mailing Address:

City Clerk's Office, Attn: Finance Department
P.O. Box 839966
San Antonio, Texas 78283-3966

Physical Address:

City Clerk's Office, Attn: Finance Department
100 Military Plaza
2nd Floor, City Hall
San Antonio, Texas 78205

Proposals sent by facsimile or email will not be accepted.

- B. Proposal Format: Each proposal shall be typewritten and submitted on 8 ½" x 11" white paper inside a three ring binder. The use of recycled paper is encouraged. Unnecessarily elaborate brochures, artwork, bindings, visual aides, expensive paper or other materials beyond that sufficient to present a complete and effective submission are not required. Font

size shall be no less than 12-point type. All pages shall be numbered and printed one-sided. Margins shall be no less than 1" around the perimeter of each page. Each proposal must include the sections and attachments in the sequence listed in the RCSP Section XV, Proposal Requirements, and each section and attachment must be indexed and divided by tabs and indexed in a Table of Contents page. Failure to meet the above conditions may result in disqualification of the proposal.

- C. Respondents who submit proposals to this RFSCP shall correctly reveal, disclose, and state the true and correct name of the individual, proprietorship, corporation, and /or partnership (clearly identifying the responsible general partner and all other partners who would be associated with the contract, if any). No nicknames, abbreviations (unless part of the legal title), shortened or short-hand, or local "handles" will be accepted in lieu of the full, true and correct legal name of the entity. These names shall comport exactly with the corporate and franchise records of the Texas Secretary of State and Texas Comptroller of Public Accounts. Individuals and proprietorships, if operating under other than an individual name, shall match with exact Assumed Name filings. Corporate Respondents and limited liability company Respondents shall include the 11-digit Comptroller's Taxpayer Number in their proposal's Respondent Questionnaire.

If an entity is found to have incorrectly or incompletely stated its name or failed to fully reveal its identity on their proposal's Respondent Questionnaire, the Director of Finance shall have the discretion, at any point in the contracting process, to suspend consideration of the proposal.

- D. All provisions in Respondent's proposal, including any estimated or projected costs, shall remain valid for one hundred twenty (120) days following the deadline date for submissions or, if a proposal is accepted, throughout the entire term of the contract.
- E. All proposals become the property of the City upon receipt and will not be returned. Any information deemed to be confidential by Respondent should be clearly noted on the page(s) where confidential information is contained; however, the City cannot guarantee that it will not be compelled to disclose all or part of any public record under the Texas Public Information Act, since information deemed to be confidential by Respondent may not be considered confidential under Texas law, or pursuant to a Court order.
- F. Any cost or expense incurred by the Respondent that is associated with the preparation of the Proposal, the Pre-Submittal conference, if any, or during any phase of the selection process, shall be borne solely by Respondent.
- G. The Request for Competitive Sealed Proposal shall be opened publicly. The names of the offerors will be read aloud. The contents shall be kept confidential until award.

XVIII. RESTRICTIONS ON COMMUNICATION

- A. Respondents are prohibited from communicating with elected City officials and their staff regarding the RFSCP or Proposals from the time the RFSCP has been released until the

contract is posted as a City Council agenda item. Respondents are prohibited from communicating with City employees from the time the RFSCP has been released until the contract is awarded. These restrictions extend to "thank you" letters, phone calls, emails and any contact that results in the direct or indirect discussion of the RFSCP and/or Proposal submitted by Respondents. Violation of this provision by Respondent and/or their agent may lead to disqualification of Respondent's proposal from consideration. Exceptions to the restrictions on communication with City employees include:

1. Respondents may ask verbal questions concerning this RFSCP at the Pre-Submittal Conference.
2. Respondents may submit written questions concerning this RFSCP to the Staff Contact Person listed in the address below until 4:30 p.m., Central Time, on March 31, 2008. Questions received after the stated deadline will not be answered. It is suggested that all questions be sent by certified mail, return receipt requested, to:

Debra Reyes, Contract Coordinator
City of San Antonio, Purchasing and Contract Services
P.O. Box 839966
San Antonio, TX 78283-3966

However, electronic submissions by facsimile at (210) 207-4029 or e-mail will also be accepted at debra.reyes@sanantonio.gov.

3. Respondents and/or their agents are encouraged to contact the Small Business Outreach Office of the Economic Development Department for assistance or clarification with issues specifically related to the City's Small Business Economic Development Advocacy Program policy and/or completion of the Good Faith Effort Plan form. The point of contact is Ms. Anita Uribe Martin. Ms. Martin may be reached by telephone at (210) 207-3900 or by e-mail at anita.martin@sanantonio.gov. Respondents and/or their agents may contact Ms. Martin at any time prior to the due date for submission of proposals. Contacting her or her office regarding this RFSCP after the proposal due date is not permitted.
 4. Respondents may provide responses to questions asked of them by the Staff Contact Person after responses are received and opened. During interviews, if any, verbal questions and explanations will be permitted.
- B. City reserves the right to contact any Respondent to negotiate if such is deemed desirable by City.
- C. City Code Article VII, Section 2-309 provides that any person acting as a legal signatory for a proposed contractual relationship that applies for a "high profile" discretionary contract, as defined by the City of San Antonio Contracting Policy and Process Manual, may not make a political contribution to any councilmember or candidate at any time from the time the person submits the response to the Request for Proposal (RFSCP) or Request for Qualifications (RFQ) until 30 calendar days following the contract award. Any legal

signatory for a proposed high-risk contract must be identified within the response to this RFSCP or RFQ, if the identity of the signatory will be different from the individual submitting the response.

If the legal signatory entering into the contract has made such a contribution, the City may not award the contract to that contributor or to that contributor's business entity. Any contract awarded in violation of this provision shall be voidable at the discretion of the City Council.

The City has identified this solicitation as "high profile."

XIX. EVALUATION CRITERIA

The City will conduct a comprehensive, fair and impartial evaluation of all Proposals received in response to this RFSCP. The City may appoint a selection committee to perform the evaluation. Each Proposal will be analyzed to determine overall responsiveness and qualifications under the RFSCP. Criteria to be evaluated may include the items listed below. The selection committee may select all, some or none of the Respondents for interviews. If the City elects to conduct interviews, Respondents may be interviewed and re-scored based upon this same criteria, or other criteria to be determined by the selection committee. The City may also request additional information from Respondents at any time prior to final approval of a selected Respondent. The City reserves the right to select one, or more, or none of the Respondents to provide services. Final approval of a selected Respondent is subject to the action of the City of San Antonio City Council.

The Evaluation Criteria are:

- A. Executive Summary and Proposed Solution (Attachment A) (40%)
- B. Respondent's History, Experience and Past Performance (Attachment B) (30%).
- C. Pricing (Attachment F) (10%).
- D. Small Business Economic Development Advocacy Program (SBEDA) (20%):

The Respondents' demonstrated commitment to Small Business Economic Development Advocacy must provide in a narrative statement based on the following evaluation criteria, in lieu of a Good Faith Effort Plan, describing the commitment to achieve the City's small business goals. Evaluation of the Respondent's narrative statement will be worth a total of twenty (20) percentage points, based on the criteria.

XX. PRESENTATIONS, INTERVIEWS AND SOFTWARE DEMONSTRATIONS

Subsequent to the City's preliminary review and evaluation of the submitted Proposals, the City may, but is not required to, invite one or more Respondents to make presentations and be interviewed by the City. For those Respondents who are invited, attendance will be mandatory. Therefore, Respondents are encouraged to "save the date" for the presentations, interviews, and software demonstrations which are anticipated to be held **tentatively the week of May 12, 2008**. Respondents who are selected to participate in the presentation and interview process will be informed regarding the location, date, and time.

XXI. AWARD OF CONTRACT AND RESERVATION OF RIGHTS

- A. City reserves the right to award one, more than one or no contract(s) in response to this RFSCP.
 - B. The Contract, if awarded, will be awarded to the Respondent(s) whose Proposal(s) is deemed most advantageous to City, as determined by the selection committee, upon approval of the City Council.
 - C. City may accept any Proposal in whole or in part. If subsequent negotiations are conducted, they shall not constitute a rejection or alternate RFSCP on the part of City. However, final selection of a Respondent is subject to City Council approval.
 - D. City reserves the right to accept one or more proposals or reject any or all proposals received in response to this RFSCP, and to waive informalities and irregularities in the proposals received. City also reserves the right to terminate this RFSCP, and reissue a subsequent solicitation, and/or remedy technical errors in the RFSCP process.
 - E. City will require the selected Respondent(s) to execute a contract with the City, prior to City Council award. No work shall commence until City signs the contract document(s) and Respondent(s) provides the necessary evidence of insurance as required in this RFSCP and the Contract. Contract documents are not binding on City until approved by the City Attorney. In the event the parties cannot negotiate and execute a contract within the time specified, City reserves the right to terminate negotiations with the selected Respondent and commence negotiations with another Respondent.
-
- E. This RFSCP does not commit City to enter into a Contract, award any services related to this RFSCP, nor does it obligate City to pay any costs incurred in preparation or submission of a proposal or in anticipation of a contract.
 - F. If selected, Respondent will be required to comply with the Insurance and Indemnification Requirements established herein.

G. The successful Respondent must be able to formally invoice the City for services rendered, incorporating the SAP-generated contract and purchase order numbers that shall be provided by the City.

H. Conflicts of Interest. Respondent acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined in the Ethics Code, from having a financial interest in any contract with City or any City agency such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with City or in the sale to City of land materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: the City officer or employee; his parent, child or spouse; a business entity in which he or his parent, child or spouse owns ten (10) percent or more of the voting stock or shares of the business entity, or ten (10) percent or more of the fair market value of the business entity; or a business entity in which any individual or entity above listed is a subcontractor on a City contract, a partner or a parent or subsidiary business entity.

Respondent is required to warrant and certify that it, its officers, employees and agents are neither officials nor employees of the City, as defined in Section 2-42 of the City's Ethics Code. (Discretionary Contracts Disclosure – RFSCP Attachment C)

I. Independent Contractor. Respondent agrees and understands that, if selected, it and all persons designated by it to provide services in connection with a contract, is (are) and shall be deemed to be an independent contractor(s), responsible for its (their) respective acts or omissions, and that City shall in no way be responsible for Respondent's actions, and that none of the parties hereto will have authority to bind the others or to hold out to third parties, that it has such authority.

J. Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that persons, or their agents, who seek to contract for the sale or purchase of property, goods, or services with the City, shall file a completed conflict of interest questionnaire with the City Clerk not later than the 7th business day after the date the person: (1) begins contract discussions or negotiations with the City; or (2) submits to the City an application, response to a request for proposals or bids, correspondence, or another writing related to a potential agreement with the City. The conflict of interest questionnaire form is available from the Texas Ethics Commission at www.ethics.state.tx.us. Completed conflict of interest questionnaires may be mailed or delivered by hand to the Office of the City Clerk, if mailing a completed conflict of interest questionnaire, mail to Office of the City Clerk, P.O. Box 839966, San Antonio, TX 78283-3966. If delivering a completed conflict of interest questionnaire, deliver to: Office of the City Clerk, City Hall, 2nd floor, 100 Military Plaza, San Antonio, TX 78205. Respondent should consult its own legal advisor with questions regarding the statute or form.

XXII. PERFORMANCE BOND

If selected, Respondent will be required to provide a performance bond made payable to the City, executed by a corporate surety acceptable to City who is licensed pursuant to the Texas Insurance Code and listed on the United States Department of the Treasury's Listing of Approved Sureties (Dept Circular 570) in the full amount of the contract price as estimated by projection of the City. Said bond must be in a form acceptable to City. Said bond shall further provide that the surety shall indemnify the Obligee for all damages or losses resulting from the Principal's default. Said bond shall further guarantee the Principal's performance of all terms and obligations under the contract awarded. Said bond must have attached thereto a Power of Attorney as evidence of the authority of the person executing the bond to bind the surety. The bond must clearly and prominently display on the bond or on an attachment to the bond: (1) the name, mailing address, physical address, and telephone number, including the area code, of the surety company to which any notice of claim should be sent; or (2) the toll-free telephone number maintained by the Texas Department of Insurance under Article 1.35D, Insurance Code, and a statement that the address of the surety company to which any notice of claim should be sent may be obtained from the Texas Department of Insurance by calling the toll-free telephone number.

The bond must be executed and delivered to City prior to commencement of work under the contract awarded pursuant to this RFCSP.

XXIII. SCHEDULE OF EVENTS

Following is a list of projected dates/times with respect to this RFSCP:

RFSCP Issue Date	March 14, 2008
Pre-Submittal Conference	March 25, 2008, 1:30 p.m.
Final Questions Accepted	March 31, 2008, 4:30 p.m.
Proposals Due	April 18, 2008, 11:00 a.m.
Presentations, Interviews, and Software Demonstrations	Tentative Date: Week of May 12, 2008

RFCSP EXHIBIT 1

TIME, ATTENDANCE AND LEAVE DATA COLLECTION SOLUTION

PROPOSED ROLL-OUT SCHEDULE

(NOTE: TIMEFRAMES AND GROUPINGS MAY CHANGE)			
Grouping	Departments	Estimated No. of Employees	Estimated Timeframe
Group 1	- Aviation - Solid Waste - Animal Care	375 490 <u>100</u> 965	July 1, 2008 – December 31, 2008
Group 2	- Public Works - Capital Improvements Management Services	700 <u>100</u> 800	January 1, 2009 – March 31, 2009
Group 3	- Housing & Neighborhood Services - Downtown Operations - SACVB - 311/Customer Service - Council Support	155 70 115 50 <u>12</u> 405	April 1, 2009 – June 30, 2009
Group 4	- Parks & Recreation - Development Services	820 <u>230</u> 1050	July 1, 2009 – September 30, 2009
Group 5	- Community Initiatives - Convention Facilities - Purchasing & Contract Services - Fleet Maintenance	355 300 <u>400</u> 1055	October 1, 2009 – December 31, 2009
Group 6	- Municipal Court - Library	175 <u>500</u> 675	January 1, 2010 – March 31, 2010
Group 7	- Health	550	April 1, 2010 – June 30, 2010
Group 8	- Fire/EMS (Civilian)	132	July 1, 2010 – September 30, 2010
Group 9	- Police (Civilian)	555	October 1, 2010 – December 31, 2010

RFCSP ATTACHMENT A
PROPOSED SOLUTION

PROPOSED SOLUTION

1. Describe in detail how the proposed Time & Labor Data Collection Solution will address the:
 - a. General Project Requirements identified in Section II.1.
 - b. Functional Requirements identified in Section II.2.
 - c. Technical Project Requirements identified in Section II.3.
 - d. Preferred Requirements identified in Section III.
 - e. System Security and Auditing Requirements identified in Section IV.
 - f. System Hardware and Network Compatibility Requirements in Sections V and VI.
 - g. System Technical Support and Service Requirements in Section VII.
2. Describe any future enhancements that would benefit the City if the software and hardware solution was selected.
3. Provide a Microsoft Project Work Plan for implementation of the Time & Labor Data Collection Solution being proposed indicating timelines, resources requirements, milestones, and deliverables for a typical implementation.
4. Provide any additional information Respondent feels would be beneficial to the City in making a decision on the selection of the Time & Labor Data Collection Solution.

RFCSP ATTACHMENT B
RESPONDENT QUESTIONNAIRE

RESPONDENT QUESTIONNAIRE

PART A - GENERAL INFORMATION

1. **Respondent Information:** Provide the following information regarding the Respondent.

(NOTE: Co-Respondents are two or more entities proposing as a team or joint venture with each signing the contract, if awarded. Sub-contractors are not Co-Respondents and should not be identified here. If this proposal includes Co-Respondents, provide the required information in this Item #1 for each Co-Respondent by copying and inserting an additional block(s) before Item #2.)

Respondent Name: _____

(NOTE: Give exact legal name as it will appear on the contract, if awarded.)

Principal Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ Fax No: _____

Social Security Number or Federal Employer Identification Number: _____

Texas Comptroller's Taxpayer Number, if applicable: _____

(NOTE: This 11-digit number is sometimes referred to as the Comptroller's TIN or TID.)

Business Structure: Check the box that indicates the business structure of the Respondent.

Individual or Sole Proprietorship If checked, list Assumed Name, if any: _____

Partnership

Corporation If checked, check one: For-Profit Nonprofit

Also, check one: Domestic Foreign

Other If checked, list business structure: _____

2. **Contact Information:** List the one person who the City may contact concerning your proposal or setting dates for meetings.

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ Fax No: _____

Email: _____

3. Does Respondent anticipate any mergers, transfer of organization ownership, management reorganization, or departure of key personnel within the next twelve (12) months?

Yes No

4. Is Respondent authorized and/or licensed to do business in Texas?

Yes No If "Yes", list authorizations/licenses.

5. Where is the Respondent's corporate headquarters located? _____

6. **Local Operation:** Does the Respondent have an office located in San Antonio, Texas?

Yes No If "Yes", respond to a and b below:

a. How long has the Respondent conducted business from its San Antonio office?

Years _____ Months _____

b. State the number of full-time employees at the San Antonio office. _____

7. **County Operation:** If the Respondent does not have a San Antonio office, does the Respondent have an office located in Bexar County, Texas?

Yes No If "Yes", respond to a and b below:

a. How long has the Respondent conducted business from its Bexar County office?

Years _____ Months _____

b. State the number of full-time employees at the Bexar County office. _____

8. **Debarment/Suspension Information:** Has the Respondent or any of its principals been debarred or suspended from contracting with any public entity?

Yes No If "Yes", identify the public entity and the name and current phone number of a representative of the public entity familiar with the debarment or suspension, and state the reason for or circumstances surrounding the debarment or suspension, including but not limited to the period of time for such debarment or suspension.

9. **Surety Information:** Has the Respondent ever had a bond or surety canceled or forfeited?

Yes No If "Yes", state the name of the bonding company, date, amount of bond and

reason for such cancellation or forfeiture.

10. **Bankruptcy Information:** Has the Respondent ever been declared bankrupt or filed for protection from creditors under state or federal proceedings?

Yes No If "Yes", state the date, court, jurisdiction, cause number, amount of liabilities and amount of assets.

11. Provide any other names under which Respondent has operated within the last 10 years.

PART B - REFERENCES - Provide three (3) references, preferably from other medium or large municipalities, for which Respondent has provided similar services within the past five years.

Reference No. 1:

Firm/Company Name: _____

Contact Name: _____ Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ Fax No: _____

Email: _____

Date and Type of Service(s) Provided: _____

Reference No. 2:

Firm/Company Name: _____

Contact Name: _____ Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ Fax No: _____

Email: _____

Date and Type of Service(s) Provided: _____

Reference No. 3:

Firm/Company Name: _____

Contact Name: _____ Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Telephone No. _____ Fax No: _____

Email: _____

Date and Type of Service(s) Provided: _____

PART C - EXPERIENCE, BACKGROUND, QUALIFICATIONS - Prepare and submit narrative responses to address the following items. If Respondent is proposing as a team or joint venture, provide the same information for each member of the team or joint venture.

1. How long has Respondent been involved in automated time systems development?
2. How many automated time systems of the size indicated in this RFCSP or larger has the Respondent developed and are operational?
3. Please list up to three automated time systems that you have operational, with contact name, address and contact phone number.

(1) Name/Name of Agency/Company: _____

Address: _____

Telephone/FAX: _____

Email: _____

(2) Name/Name of Agency/Company: _____

Address: _____

Telephone/FAX: _____

Email: _____

(3) Name/Name of Agency/Company: _____

Address: _____

Telephone/FAX: _____

Email: _____

4. REFERENCES AND QUALIFICATIONS:

- A. Background of Respondent and support personnel, including professional qualifications and length of time working in Respondent's capacity. Include résumés of key personnel for services that Respondent proposes to perform.
- B. Relevant experience of Respondent as it relates to the scope of services contemplated by the RFCSP.
- C. Specific experience with public entity clients, especially large municipalities. If Respondent has provided services for the City in the past, identify the name of the project and the department for

which Respondent provided those services. If Respondent is proposing as a team or joint venture, provide the same information for each member of the team or joint venture.

- D. Other resources, including total number of employees, number and location of offices, and number and types of equipment available to support this project.
- E. Respondent shall provide three (3) references, preferably from municipalities, for whom Respondent has provided services. Include current phone number for each reference.
- F. If Respondent has had experience in working as a member of a joint venture or team, describe that experience, including the type of project for which the joint venture or team was formed.

RFCSP ATTACHMENT C
DISCRETIONARY CONTRACTS DISCLOSURE FORM

City of San Antonio Discretionary Contracts Disclosure

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.

(1) Identify any individual or business entity that is a **party** to the discretionary contract.
Note: At a minimum, Respondent's name should be listed.

(2) Identify any individual or business entity which is a **partner, parent** or **subsidiary** business entity of any individual or business entity identified above in Box (1).

No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

(3) Identify any individual or business entity that would be a **subcontractor** on the discretionary contract.

No subcontractor(s); or

List subcontractors:

(4) Identify any **lobbyist** or **public relations firm** employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.

No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

³ A *business 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 d/b/a, if any.

(5) Political Contributions
 List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made to any *current or former member of City Council*, any *candidate for City Council*, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under Box (1), (2), (3) or (4) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3).

No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:

(6) Disclosures in Proposals
 Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question⁴ as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code) ("conflicts of interest") by participating in official action relating to the discretionary contract.

Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

This form is required to be supplemented 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 occurs first.

Signature:	Title: Company or D/B/A:	Date:

⁴ For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

**RFCSP ATTACHMENT D
LITIGATION DISCLOSURE FORM**

LITIGATION DISCLOSURE

Respond to each of the questions below by checking the appropriate box. Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

Yes No

2. Have you or any member of your Firm or Team to be assigned to this engagement been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Yes No

3. Have you or any member of your Firm or Team to be assigned to this engagement been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Yes No

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

RFCSP ATTACHMENT E

**SMALL BUSINESS ECONOMIC DEVELOPMENT ADVOCACY PROGRAM
POLICY AND DEFINITIONS**

SMALL BUSINESS PROGRAM

**Small Business Economic Development
Advocacy (SBEDA)
Alternative Procurement Delivery Methods (APDM)
Criteria**

The current SBEDA policy provides for evaluation criteria to include: Design/Build; Competitive Sealed Proposal; and, Construction Manager at Risk. The SBEDA evaluation criteria is designed to promote the utilization of Small, Minority, Women and African-American-Owned businesses by prime contractors bidding City projects.

The SBEDA scoring includes 20% (20 points on a 100 point scale) for consideration of local status, small business status, small business outreach and performance in achieving SBEDA goals. This amendment incorporates criteria to evaluate a respondent's local economic impact and replaces the local business enterprise evaluation points. In addition, the amendment establishes evaluation criteria for a respondent's Emerging-Diversity initiative. Emerging-Diversity is a business teaming program to provide opportunities for local Small, Minority, Women and African-American-Owned Businesses. Respondents will be required to identify teaming opportunities for small businesses within the construction project.

The Respondents' demonstrated commitment to Small Business Economic Development Advocacy must provide in a narrative statement based on the following evaluation criteria, in lieu of a Good Faith Effort Plan, describing the commitment to achieve the City's small business goals. Evaluation of the Respondent's narrative statement will be worth a total of twenty (20) percentage points, based on the criteria.

ECONOMIC IMPACT (Up to 5-Points)

- Local resources, to include, local suppliers, equipment providers, subcontractors
- Firms' principal office and the home office location of key staff on this project
- Headquartered or has local branch office in San Antonio
- Identify local (presently living in or relocating to San Antonio) versus non-local staffing of your team, and the percent of their work expected to be done locally

SBEDA EXPERIENCE (Up to 5-Points)

Up to five percentage (5%) points based on Respondent's previous experience in implementing a similar small business program in project(s) for the last 3-5 years (Public and/or Private) as follows:

- Respondent has implemented a small business type program and attained the contracting goals specified by the client
- Respondent has implemented a successful small business program in a private sector project
- Respondent has a policy supporting the use of small, minority and women-owned businesses in their own contracting program
- Respondent has demonstrated experience in using small businesses in all contracting opportunities

- Respondent's small business program has received recognition and/or award

- **SBEDA UTILIZATION (Up to 5-Points)**

Up to five points percentage (5%) points will be awarded for the extent of Minority, Women, and African-American Owned Business utilization opportunities already identified by Respondent in connection with this Project and whether Respondent has been pro-active in assembling a Pre-Construction Project Team with Minority, Women-Owned and African-American businesses at levels corresponding to the City's Professional Services Contract Category goals identified in Attachment A of Ordinance 2007-04-12-0396. Respondents will be awarded 1 point for each of the following goals attained.

- Minority Business Enterprise (MBE) 31%
- Women Business Enterprise (WBE) 10%
- African-American Business Enterprise (AABE) 2.2%
- Up to 2 points may be earned for exceeding goals.

- **EMERGING-DIVERSITY BUSINESS PLAN (Up to 5-Points)**

Emerging-Diversity Business plan on eligible projects for Diversity Participation, including but not limited to:

- Plan to package work element into economically feasible units that facilitate diversity participation
- Bonding & Insurance Assistance
- Negotiating Joint Venture and/or Partnership
- Quick Pay Agreements
- Outreach Efforts

1. **Small Business Participation**

Pursuant to Ordinance No. 2007-04-12-0396, it is the policy of the City of San Antonio to involve Small, Minority, Women and African-American Owned Business Enterprises (S/M/W/AABE) to the greatest extent feasible in the City's discretionary contracts. The intent and purpose of the policy is to ensure that S/M/W/AABE firms have the opportunity to compete for City contracts without discrimination on the basis of race, color, religion, national origin, age, sex or handicap. To accomplish the objectives of the Small Business policy, the City has established specific goals for local S/M/W/AABE participation in this contract.

2. **DEFINITIONS** related to the Small Business Program Provisions:

- a. **Small Business Program:** the Small Business Economic Development Advocacy ("SBEDA") Program governed by this ordinance and managed by the SMALL BUSINESS Program Office.
- b. **Small Business Enterprises (SBE):** a corporation, partnership, sole proprietorship or other legal entity, for the purpose of making a profit, which is independently owned and operated and which meets the U.S. Small Business Administration (SBA) size standard for a small business. All firms meeting these thresholds will be considered an SBE.
- c. **Local Business Enterprise (LBE):** a corporation, partnership, sole proprietorship, or other legal entity which is headquartered within Bexar County for at least one year. For a branch office of a non-headquartered business to qualify as an LBE, the branch office must be located in Bexar County for at least one-year and employ a minimum of ten (10) residents of Bexar County for use at the local branch office.

- d. **Minority Business Enterprise (MBE)**: a sole proprietorship, partnership, or corporation owned, operated, and controlled by a minority group member(s) who has at least 51% ownership. Minority group member(s) include African-Americans; Hispanic Americans; Asian-Pacific Americans; Asian-Indian Americans; American Indians; and Disabled Individuals. The minority group member(s) must have operational and managerial control, interest in capital, expertise and earnings commensurate with the percentage of ownership and be legal residents or citizens of the United States or its territories. To qualify as an MBE, the enterprise shall be headquartered in Bexar County or the San Antonio Metropolitan Statistical Area (the SAMSA) for any length of time, or shall be doing business in a locality or localities from which the City regularly solicits, or receives bids on or proposals for, City contracts within the MBE's category of contracting for at least one year.

- e. **Woman Business Enterprise (WBE)**: a sole proprietorship, partnership, or corporation owned, operated and controlled by women who have at least 51% ownership. The woman or women must have operational and managerial control, interest in capital, expertise and earnings commensurate with the percentage of ownership and be legal residents or citizens of the United States or its territories. To qualify as a WBE, the enterprise shall be headquartered in Bexar County or the SAMSA for any length of time or shall be doing business in a locality or localities from which the City regularly solicits or receives bids on or proposals for, City contracts within the WBE's category of contracting for at least one year.

- f. **African-American Business Enterprise (AABE)**: a sole proprietorship, partnership, or corporation owned, operated and controlled by an African-American group member(s) who has at least 51% ownership. The African American Group member(s) must have operational and managerial control, interest in capital, expertise and earnings commensurate with the percentage of ownership and be legal residents or citizens of the United States or its territories. To qualify as an AABE, the enterprise shall be headquartered in Bexar County or the SAMSA for any length of time or shall be doing business in a locality or localities from which the City regularly solicits, or receives bids on or proposals for, City contracts within the AABE's category of contracting for at least on year.

3. Goals for Small Business Participation

The goals for the utilization and participation of SBE-MBE-WBE-AABE businesses on this contract are as follows:

MBE	31%
WBE	10%
AABE	2.2%

4. MBE-WBE-AABE Certification Required

Only companies certified as MBE, WBE, or AABE through the South Central Texas Regional Certification Agency (SCTRCA), or as approved by the City of San Antonio Director of Economic Development, can be applied towards the contracting goals. Proof of certification must be submitted.

5. Small Business Program Information

Interested contractors/proposers are encouraged to contact the Small Business Outreach Office for information regarding the City's Small Business Program Policy in accordance with the City's Communication Policy outlined in the solicitation document. Please call (210) 207-3900 or FAX: (210) 207-3909.

RFCSP ATTACHMENT F
PRICING SCHEDULE

PRICING SCHEDULE

State any and all associated fees Respondent would charge to provide services listed within this RFCSP. Please base your pricing for each option for 100 employees and 20 managers. Please provide a separate pricing schedule for each solution as recommended in the functional, technical, and preferred requirements (biometric, telephony, personal computer, etc.). Respondent shall structure pricing schedules based upon the format listed below:

(Sample is listed as Exhibit 2 on page 45.)

Section 1 - Hardware

Provide an itemized list for all required hardware deemed necessary for proposed hardware. List shall include item description, quantity, unit pricing and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 2 - Software

Provide an itemized list for all required software deemed necessary for proposed product. List shall include item description, quantity, unit pricing and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 3 - Development, Programming and Migration

Provide an itemized list for all development, programming and migration deemed necessary for proposed product. List shall include item description, quantity, unit pricing and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 4 - Installation, Commissioning and Testing

Provide an itemized list for all associated costs relating to the installation, commissioning and testing of proposed solution. List shall include item description, quantity, unit pricing and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 5 - Training

Provide an itemized list for all associated costs relating to training of proposed solution. List shall include item description, quantity, unit pricing and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 6 - Recurring Cost

Provide an itemized list for all associated costs relating to training of proposed software. List shall include item description, quantity, unit pricing, and extended total of any recurring cost such as licensing fees, certification fees, coordination fees, service fees, rental fees, etc. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 7 - Extended Warranty

Provide an itemized list for all associated costs relating to annual extended warranty of proposed hardware and software components. List shall include item description, quantity, unit pricing, and extended total of annual costs for extended warranty on software and hardware for years 3, 4 and 5 of this project. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 8 - Maintenance

Provide an itemized list for all associated costs relating to maintenance of proposed software and hardware. List shall include item description, quantity, unit pricing, and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 9 - Upgrades and Add-Ons

Provide an itemized list of available upgrade packages, proprietary tools, additional tools, etc. for proposed software and hardware components. List shall include item description, quantity, unit pricing, and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 10 - Regulatory Fees and Taxes

Provide an itemized list of all regulatory fees and taxes that apply to the wireless solution you are proposing if they will be invoiced separately from the fees and costs identified herein. List shall include item description, quantity, unit pricing, and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 11 - Implementation Costs

Provide an itemized list of implementation services to include, but not limited to project management, consultation, change management, and business process reengineering/redesign and/or other services deemed necessary, but not identified in this RFCSP. List shall include item description, quantity, unit pricing, and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 12 - Extended Support and Maintenance

Provide an itemized list of extended support and maintenance that would support the project after the completion for three (3), one (1) year periods. Use format provided in attached Excel pricing template. (Exhibit 3)

Section 13 - Other Costs

Provide an itemized list of additional services and/or items deemed necessary, but not identified in this RFCSP. List shall include item description, quantity, unit pricing, and extended total. Use format provided in attached Excel pricing template. (Exhibit 3)

RFCSP EXHIBIT 2

Proposed Solution Type: Biometric technology (SAMPLE) Prices based on 100 employees and 20 managers

ITEM #	Item Description	Quantity	Unit of Measure	Unit Price	Total Price	Comments
1	Hardware *	5	Each	50.00	250.00	
2	Software *	1	Each	65.00	65.00	
3	Development, Programming and Migration*	1	Lot	5,300.00	5,300.00	
4	Installation, Commissioning and Testing*	10	Hours	200.00	2,000.00	
5	Training*	10	Hours	14.00	140.00	
6	Recurring Cost*	5	Each	55.00	275.00	
7	Extended Warranty*	1	Year	500.00	500.00	
8	Maintenance*	10	Hours	65.00	650.00	
	Year 1	1	Each	10,000.00	10,000.00	
9	Upgrades and Add-Ons*	1	Each	1,500.00	1,500.00	
10	Regulatory Fees and Taxes*					
11	Implementation Costs*	300	Hours	150.00	45,000.00	
	Project Management	200	Hours	150.00	30,000.00	
	Business Process Re-engineering	100	Hours	150.00	15,000.00	
12	Extended Support and Maintenance*	3	Each	5,000.00	15,000.00	
	Support Year 1	1	Each	5,000.00	5,000.00	
	Support Year 2	1	Each	5,000.00	5,000.00	
	Support Year 3	1	Each	5,000.00	5,000.00	
13	Other Costs*					
	Total Price for Solution Type				\$80,680.00	

*Itemize to lowest level of detail possible

RFCSP EXHIBIT 2 (continued)

Proposed Solution Type: Telephony Technology (SAMPLE) Prices based on 100 employees and 20 managers

ITEM #	Item Description	Quantity	Unit of Measure	Unit Price	Total Price	Comments
1	Hardware *	3	Each	75.00	225.00	
2	Software *	1	Each	100.00	100.00	
3	Development, Programming and Migration*	1	Lot	7,200.00	7,200.00	
4	Installation, Commissioning and Testing*	10	Hours	200.00	2,000.00	
5	Training*	5	Hours	20.00	100.00	
6	Recurring Cost*	2	Each	60.00	120.00	
7	Extended Warranty*	1	Year	500.00	500.00	
8	Maintenance*	7	Hours	50.00	350.00	
	Year 1	1	Each	5,000.00	5,000.00	
9	Upgrades and Add-Ons*	1	Each	2,000.00	2,000.00	
10	Regulatory Fees and Taxes*					
11	Implementation Costs*	300	Hours	150.00	45,000.00	
	Project Management	150	Hours	150.00	22,500.00	
	Business Process Re-engineering	150	Hours	150.00	22,500.00	
12	Extended Support and Maintenance*	3	Each	5,000.00	15,000.00	
	Support Year 1	1	Each	3,000.00	3,000.00	
	Support Year 2	1	Each	3,000.00	3,000.00	
	Support Year 3	1	Each	3,000.00	3,000.00	
13	Other Costs*					
	Total Price for Solution Type				\$77,595.00	

*Itemize to lowest level of detail possible

RFCSP EXHIBIT 2 (continued)

Proposed Solution Type: On Line (PC) Technology (SAMPLE) Prices based on 100 employees and 20 manag

ITEM #	Item Description	Quantity	Unit of Measure	Unit Price	Total Price	Comments
1	Hardware *	20	Each	85.00	1,700.00	
2	Software *	1	Each	150.00	150.00	
3	Development, Programming and Migration*	1	Lot	7,000.00	7,000.00	
4	Installation, Commissioning and Testing*	15	Hours	175.00	2,625.00	
5	Training*	5	Hours	20.00	100.00	
	On Line Course	1	Each	500.00	500.00	
6	Recurring Cost*	5	Each	55.00	275.00	
7	Extended Warranty*	1	Year	1,000.00	1,000.00	
8	Maintenance*	20	Hours	65.00	1,300.00	
	Year 1	1	Each	10,000.00	10,000.00	
9	Upgrades and Add-Ons*	1	Each	1,500.00	1,500.00	
10	Regulatory Fees and Taxes*					
11	Implementation Costs*	300	Hours	150.00	45,000.00	
	Project Management	150	Hours	150.00	22,500.00	
	Business Process Re-engineering	150	Hours	150.00	22,500.00	
12	Extended Support and Maintenance*	3	Each	5,000.00	15,000.00	
	Support Year 1	1	Each	5,000.00	5,000.00	
	Support Year 2	1	Each	5,000.00	5,000.00	
	Support Year 3	1	Each	5,000.00	5,000.00	
13	Other Costs*					

Total Price for Solution Type

\$84,620.00

*Itemize to lowest level of detail possible

RFCSP ATTACHMENT G
INSURANCE REQUIREMENTS

If selected to provide the services described in this RFCSP, Respondent shall be required to comply with the insurance requirements set forth below:

INSURANCE

- A) Prior to the commencement of any work under this Agreement, Consultant shall furnish copies of all required endorsements and an original completed Certificate(s) of Insurance to the City's Purchasing & Contract Services Department, which shall be clearly labeled "Time & Labor Data Collection Solution" in the Description of Operations block of the Certificate. The original Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The City will not accept Memorandum of Insurance or Binders as proof of insurance. The original certificate(s) or form must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the City. The City shall have no duty to pay or perform under this Agreement until such certificate and endorsements have been received and approved by the City's Purchasing & Contract Services Department. No officer or employee, other than the City's Risk Manager, shall have authority to waive this requirement.

- B) The City reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance will City allow modification whereupon City may incur increased risk.

- C) A Consultant's financial integrity is of interest to the City; therefore, subject to Consultant's right to maintain reasonable deductibles in such amounts as are approved by the City, Consultant shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at Consultant's sole expense, insurance coverage written on an occurrence basis, by companies authorized and admitted to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed:

TYPE	AMOUNTS
1. Workers' Compensation	Statutory
2. Employers' Liability	\$1,000,000/\$1,000,000/\$1,000,000
3. Commercial General Liability Insurance to include coverage for the following: <ul style="list-style-type: none"> a. Premises operations *b. Independent Contractors c. Products/completed operations d. Personal Injury e. Contractual Liability *f. Environmental Impairment/ Impact – sufficiently broad to cover disposal liability. *g. Broad form property damage, to include fire legal liability 	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage

4. Business Automobile Liability a. Owned/leased vehicles b. Non-owned vehicles c. Hired Vehicles	<u>Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence</u>
5. Professional Liability (Claims Made Form)	\$100,000 per claim to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error or omission in professional services.

D) The City shall be entitled, upon request and without expense, to receive copies of the policies, declaration page and all endorsements thereto as they apply to the limits required by the City, and may require the deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Consultant shall be required to comply with any such requests and shall submit a copy of the replacement certificate of insurance to City at the address provided below within 10 days of the requested change. Consultant shall pay any costs incurred resulting from said changes.

City of San Antonio
Attn: Finance Department
P.O. Box 839966
San Antonio, Texas 78283-3966

E) Consultant agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

- Name the City, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation and professional liability policies;
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the City is an additional insured shown on the policy;
- Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City.
- Provide thirty (30) calendar days advance written notice directly to City of any suspension, cancellation, non-renewal or material change in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

F) Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, Consultant shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Consultant's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

- G) If Consultant fails to maintain the aforementioned insurance, or fails to secure and maintain the aforementioned endorsements, the City may obtain such insurance, and deduct and retain the amount of the premiums for such insurance from any sums due under the agreement; however, procuring of said insurance by the City is an alternative to other remedies the City may have, and is not the exclusive remedy for failure of Consultant to maintain said insurance or secure such endorsement. In addition to any other remedies the City may have upon Consultant's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Consultant to stop work hereunder, and/or withhold any payment(s) which become due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof.
- H) Nothing herein contained shall be construed as limiting in any way the extent to which Consultant may be held responsible for payments of damages to persons or property resulting from Consultant's or its subcontractors' performance of the work covered under this Agreement.
- I) It is agreed that Consultant's insurance shall be deemed primary with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this Agreement.
- J) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this Agreement.



Kaba®

Customer Support Plan

A handwritten signature in black ink, appearing to be 'J. P.', is located in the bottom right corner of the page.

KABA Customer Support Plan 20071218.doc

© 2000-2007 Kaba Benzing America

3015 North Commerce Parkway, Miramar, FL 33025

T. (954) 416-1720 / F. (954) 416-1721

12/20/2007

Kaba Customer Support Plan

2 

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Plan Overview

KABA is committed to being the superior service provider for time & attendance, labor reporting, and data collection solutions for time and labor management.

The KABA Customer Support Department meets the support requirements of its customers by addressing the ongoing needs, questions and challenges encountered by our customers. Staffed with highly trained software and hardware engineers, equipped with the right tools, and supported by a strong infrastructure, the Customer Support Department is ready to resolve customer questions and issues quickly and professionally.

As part of our commitment, we continually seek to improve performance in handling customer support needs.

This document outlines a series of processes, procedures, and response targets for customer service requests.

Support Procedures

When you have questions or issues with KABA software or hardware, the type of support you receive will depend on whether your KABA software and/or hardware is currently in production.

Pre-Production Customers (customers in the implementation phase of deployment) - should not contact KABA directly. They should contact their KABA Project Manager (PM) with KABA software or hardware issues. If the PM is unavailable, KABA's Director of Project Management may be contacted.

Production Customers should contact KABA Customer Support with KABA software and/or hardware issues.

Production Customers: Please be advised that access to customer support will be less efficient if you do not contact KABA's Customer Support Department first using the procedures outlined in this document.

Contacting KABA Customer Support

Customer Support is available through KABA's Customer Support Department. The Customer Support Department is staffed between normal operating hours of 8:30 a.m. and 6:00 p.m. EST Monday through Friday (excluding KABA holidays). Staff is on call for outside of normal business hours for critical issues support normally associated with production customers.

A variety of methods are available to contact Customer Support.

Telephone Support - (954) 416-1720

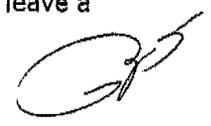
This is the preferred method for submitting **critical** production issues and is the **only** method of reporting issues that guarantees the **four-hour response time** per your service contract with KABA.

Note: Any issue, whether it is critical or non-critical, can be reported via telephone.

Customer Support is available during normal operating hours to receive technical support requests. A Customer Support Representative will answer the call, obtain needed information, and log the call into the Issue Tracking database. This Reference # will be utilized for all correspondences.

In the unlikely event that a Customer Support Representative is unavailable during normal operating hours or your service call arrives after hours, leave a message with the following information:

- Name of the person calling



- Company and facility requiring support
- Telephone number for who to call back
- Detailed description of the Issue

Within four hours, you will receive a response from KABA, confirming that your call was received and the issue is being investigated. Outside of normal business hours, a Reference # will be provided on the next business day.

E-mail Support – support@kbm.kaba.com

This is the preferred method for submitting **non-critical** production issues as it allows for a more detailed description of the issue being reported, including screen snapshots, detailed steps to reproduce the problem, etc.

Note: Critical issues should be reported via telephone only.

KABA recommends that you turn on all available delivery receipt options in your e-mail software to verify that your message has been delivered to KABA.

KABA will respond to your e-mail support request with a Reference # to identify the issue and a timeframe for the next response.

Information to Include

To keep your resolution time as short as possible, please provide the following information to the Customer Support department. Missing information may result in a delay in getting your issue resolved. Please make sure you gather this information before contacting KABA.

- Contact name, phone number, and e-mail address to which KABA will respond
- Company and facility for which you are requesting support
- Version of software or model number, description, and serial number of the hardware requiring resolution.
- Specific details of the issue: employee numbers, any dates involved, screen/form names, specific steps to reproduce issue, etc.
- Indicate whether the issue regards software and/or hardware in production or in test environment.



How Service Requests Are Handled

KABA is committed to resolving customer issues quickly and professionally.

The infrastructure for this plan is a call management system used to facilitate the process of tracking and solving customer questions and issues (service requests). Every service request is logged into the system and is accessible by all customer support representatives.

KABA's four-tiered support structure is explained below.

I. Customer Support Representative

When you contact Customer Support by phone or e-mail, a **Customer Support Representative** is the first person to address your request. The Customer Support Representative performs the following:

- Identifies you by name and company.
- Confirms that your company is currently covered under a software or hardware maintenance contract.
- Opens a new or existing service request in the call management system and provides the caller with an identifying Reference #. In the case of a hardware issue, this will be used as a Return Material Authorization Number (RMA).
- Forwards the request to a queue for Tier I support staff.

II. Tier I Support

Tier I support staff communicates with customers to gather all appropriate technical information needed, and then attempt to find a solution. Tier I staff are well trained and very knowledgeable of KABA's tools and customer environments.

Most service requests are handled and ultimately resolved at this level. The Tier I Engineer's responsibilities include:

- Receive incoming customer requests for support either by phone or e-mail. The engineer will require an associated Reference #, assigned by the Customer Support Representative, before handling the request.
- Enter data into the service request log describing the problem, and assign a priority to the log. See "Assignment of Service Request Priority" on page 10.
- If possible, provide customers with a resolution and close the service request based on the customer's feedback. A resolution is generally one of the following: an answer to a customer question, a suggestion of how to



accomplish a particular task, or a workaround to a product issue.

If the Tier 1 Engineer cannot solve the problem during first contact with you, the Tier 1 Engineer will provide an explanation of next steps and expected timelines for your next contact from KABA Support staff. For continued support, the Tier 1 Engineer will:

- Keep investigating the pending service request in order to provide a resolution.
- Escalate the unresolved service request to Tier II support, according to procedures set forth in this document.
- Follow up with you. This contact includes working through Identified Issues; answering questions; reporting the status of a pending issue; updating your expectations; getting more information about a pending issue; or requesting that a pending issue be closed if a satisfactory resolution has been provided.
- In situations where the product is not operating as it was intended, the engineer will report the problem to KABA's Quality Assurance (QA), Technical Engineer or the Development team. These reports are maintained in KABA's service call database.

III. Tier II Support

If Tier I support cannot resolve your service request, the request will be escalated to Tier II. Tier II support is comprised of experienced Product Experts (PE) or Technical Experts (TE) with the knowledge and technical skill to resolve service requests that could not be resolved by Tier 1

In general, Tier II support is off-line in nature and includes the following:

- Work with customers and Tier I engineers to resolve escalated service requests to the extent possible within the time limits set forth in the "Response and Resolution Targets" section on page 11.
- Report issues to KABA's QA, Technical and Development departments and recommend priorities to resolve these issues.
- Escalate unresolved service requests to Tier III according to the guidelines set forth in this document. Work closely with Tier III engineers to analyze, understand, and resolve difficult pending issues.

IV. Tier III Support

If Tier II support cannot resolve the issue, the service request will be escalated to Tier III support. Tier III support typically consists of Development personnel.

In extreme cases where:

- No workaround is available,
- The pending service request is a mission critical problem for the customer,
- and-
- It is determined that the problem is a defect in the product,

Tier III support can provide software patches or hardware replacements to solve the problem. This level of support is provided at the discretion of the Customer Support Manager or the Director of Technical Services overseeing the particular product.

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a smaller, more complex mark.

Assignment of Service Request Priority

When your service request reaches a Tier I engineer, the engineer will assess the priority of the request based on your description of the problem. The **priority** of the service request will be recorded in the call management system.

Priority	Criteria
1 - Critical	Customer's <u>production</u> system or hardware is down. KABA product is unusable resulting in total disruption of work or other critical business impact. No workaround is available.
2 - Severe	Major feature/function failure. Operations are severely restricted in a <u>production</u> system. A workaround is available.
3 - Moderate	Minor feature/function failure. Product does not operate as designed. Minor impact on usage, acceptable workaround deployed.
4 - Minor	Minor problem, needs attention in future. Inconvenience to users. Graphical or documentation issues.
5 - Low	Minor problem, does not necessarily need corrective action. No impact on users, "nice-to-haves", etc.

Service requests for **enhancements** or **new features** will be set to a "Moderate" priority and will be reviewed by the Product Manager.



Response and Resolution Targets

KABA Customer Support will make every effort to meet the response and resolution targets described below.

Response

When Customer Support receives your service request, you will receive a **response** that the request has been logged and assigned to a Tier I engineer.

The exact response (described below) will vary depending on how you contacted KABA. The response time will commence as soon as the support request is received:

Responses to Phone Requests

A Customer Support Representative will answer your call, document product-specific information in the service request, and provide you with a Reference #.

Once you have been notified of the Reference # for your service request, this is considered to be a response from KABA for the four-hour response window.

Responses to E-Mail Requests

A support representative will reply to the e-mail with a Reference # and a general timeframe when to expect a response from a Tier I engineer. Four-hour response is not guaranteed when contacting KABA via E-Mail.

Resolution for Software Application

The **resolution** is an answer, fix, or a satisfactory workaround to the service request.

The time for resolution begins once the Tier I engineer understands the question and is able to reproduce the problem. This time frame will vary depending on your issue's Priority.



Priority	Estimated Resolution Time	Solution (one or more of the following)
1	Within 4 business days	Satisfactory workaround is provided. Product patch is provided. Fix incorporated into future release. Fix or workaround incorporated into knowledge base.
2	Within 20 business days	Satisfactory workaround is provided. Product patch is provided. Fix incorporated into future release. Fix or workaround incorporated into knowledge base.
3	Within 30 business days	Answer to question is provided. Satisfactory workaround provided Fix or workaround incorporated into knowledge base. Fix incorporated into future release.
4	No timeframe	Answer to question is provided. Incorporate answer into knowledge base. Fix incorporated into future release.
5	No timeframe	Fix incorporated into future release

A QA Representative or Development Project Lead will contact you regarding a patch/release schedule.

Resolution for Hardware

The **resolution** is an answer, fix, or a satisfactory workaround to the service request.

The time for resolution begins once the technical Engineer receives the product:

Warranty Information

1. Warranty Period – New Product

The Seller shall provide replacement parts and/or assemblies or shall repair (at the Seller's option) free of charge due to failure caused by manufacture or design fault for a period of One (1) Year from original shipment date to the Buyer. Repair is warranted through the end of the original warranty period.

2. Warranty Period – Repairs on Out of Warranty Product

The Seller shall provide a Thirty (30) Day warranty on all repairs performed on out of warranty product by Kaba's Technical Support. The warranty will begin from the date of shipment to the Buyer. The warranty applies only to the actual components replaced at the time of the repair. Failures during the warranty period for components of and unrelated issue are excluded.

3. Warranty Turnaround

KABA provides warranty depot repair for Kaba terminal with a maximum turnaround of 30 days (from time of receipt at KABA to date of shipment to Buyer). Any additional warranty protection or accelerated turnaround is available only in accordance with KABA standard service and maintenance agreement for maintenance of Hardware.

4. Shipment of Items under Warranty

The product must be returned to KABA. Buyer must contact the Technical Support desk of the Seller and obtain a Return Material Authorization number (Reference #) before the product is returned. Buyer shall supply the Seller Information including the model number, serial number, company name, contact name, return address and phone number. In addition the shipment date of the product to the Buyer must be included.

Once the Buyer has received an authorization, the Buyer shall return product to the Seller with the freight prepaid. The Seller shall return warranty products to the Buyer freight prepaid. Damage to the product during shipment is the responsibility of the shipment originator (Buyer or Seller depending on who makes the shipment); therefore, the product must be shipped in the original shipping container and packing material or in another container that is of adequate construction and size.

5. Third Party Products Warranty

Third party products purchased from the Seller carry individual warranties as provided by the individual manufacturers and are not warranted by KABA. These products must be returned to the manufacturer for warranty disposition.

6. Warranty Exclusions

Warranties shall not apply to defects resulting from:

- Modifications to the product by the Buyer.
- Misuse of the product by the Buyer.
- Hardware attached by the Buyer.
- Software provided by the Buyer that could cause product functionality failure.
- Operation of the product outside of specifications either electrical or environmental.
- Improper site preparation, maintenance or storage.
- Accident or disaster.

This warranty is in lieu of all other warranties, express or implied, including without limitation, implied warranties of fitness or merchantability for a particular purpose.

Maintenance Programs

KABA offers three different Depot Service Programs:

Maintenance Program	Estimated Resolution Time	Solution (one or more of the following)
3 Day	Shipped within 3 business days after receipt of hardware	Hardware is repaired and returned to the customer using the customer preferred shipping method. If hardware cannot be repaired within 3 business days, a loaner (same model configuration) will be sent to the customer. If it is determined that the unit cannot be repaired, a new unit will be shipped to customer using customer preferred shipping method.

Maintenance Program	Estimated Resolution Time	Solution (one or more of the following)
7 Day	Shipped within 7 business days after receipt of hardware	<p>Hardware is repaired and returned to the customer using the customer preferred shipping method.</p> <p>If hardware cannot be repaired within 7 business days, a loaner (same model configuration) will be sent to the customer.</p> <p>If it is determined that the unit cannot be repaired, a new unit will be shipped to customer using customer preferred shipping method.</p>
30 Day	Shipped within 30 business days after receipt of hardware	<p>Hardware is repaired and returned to the customer using the customer preferred shipping method.</p> <p>If hardware cannot be repaired within 30 days, a loaner (same model configuration) will be sent to the customer.</p> <p>If it is determined that the unit cannot be repaired, a new unit will be shipped to customer using customer preferred shipping method.</p>

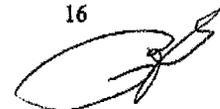
The Customer will be contacted by a Technical Engineer regarding a status of resolution.

If customer requires on site support, a Kaba engineer will be scheduled based on Depot program. The Kaba engineer will provide backup units if the hardware on site cannot be repaired.

Assignment of Service Request Status

When you contact KABA's Customer Support for assistance in resolving a question or problem, the Customer Service Representative opens a service request in the call management system. Each service request is given a **status** based upon its progress toward resolution.

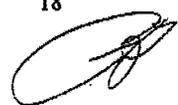
To determine the status of an issue, contact KABA by phone or e-mail. You may also check an issue's status using the Kaba Customer Information Directory web site, <http://kabaupdate.kbm.kaba.com>. Contact Customer Support for a User ID and Password to log into this site.



The following table describes the possible status that may be assigned to a service request.

Status	Explanation
NEW	New service request has been created and forwarded to Tier I Engineer for further research.
OPEN	The Issue is being actively Investigated.
CUSTOMER INFO REQ'D	Information has been requested from the customer. A response from the customer is required to further investigate the issue.
WAITING FOR FIX	Issue has been duplicated and passed onto Development. Project Lead to be assigned.
WAITING FOR REQUIREMENT	Issue needs to have requirements further defined before Issue can be resolved.
DEVELOPMENT IP	Development staff is actively working on the Issue.
FIXED	Issue has been fixed and unit tested by Development and is in the process of being compiled and then tested by QA staff.
CLOSED	<ul style="list-style-type: none"> • A resolution has been provided in the form of a patch or some other assistance, <i>or</i> • The customer understands that there is not a solution to the problem at hand, and the problem is not a result of a product defect, <i>or</i> • An engineer has made multiple attempts to contact the customer that opened the log and the customer has not responded. <p>Electronic service requests (Web, e-mail) may be closed when the engineer has provided an electronic reply with a high degree of confidence that the reply will resolve the issue.</p> <p>If a service request is closed but you do not agree the problem is resolved, you can ask KABA to reopen the issue. KABA will be happy to reopen the service request and continue efforts to resolve the issue.</p>
PATCH / HARDWARE SENT	A patch or hardware has been sent to the customer. The patch contains a fix or resolution to the problem that you reported.
HOLD	Fix/resolution to Issue has been put on temporary hold.

Status	Explanation
REJECTED	The issue reported is not a KABA software defect or is a duplicate of another issue you reported.



Escalation Procedures

While a service request is being resolved, KABA may increase its priority or notify a higher level of authority that the issue is occurring.

Generally, a priority escalation occurs when it is determined that the support request involves a time- or system- critical issue, or an extremely complex problem.

You may also contact KABA Customer Support and **request** that your issues are escalated in priority.

If you are not satisfied with the level of support for your issue, please call KABA and ask to speak to one of these support representatives:

- Customer Support Manager
- Director of Technical Services

Please specify the Reference # identifying your service request.



EXHIBIT D

SMALL BUSINESS ECONOMIC DEVELOPMENT ADVOCACY (SBEDA)

SBEDA Program. The CITY has adopted a Small Business Economic Development Advocacy Ordinance (the "SBEDA Program"), which is posted on the City's Economic Development Department website and is also available in hard copy form upon request to the CITY. In addition to the definitions provided in the SBEDA Program, the following definitions will apply pursuant to SBEDA Program requirements and this Agreement:

SBEDA Enterprise ("SE") – A corporation, limited liability company, partnership, individual, sole proprietorship, joint stock company, joint venture, professional association or any other legal entity operated for profit that is properly licensed, as applicable, and otherwise authorized to do business in the state of Texas and certified pursuant to SBEDA Program requirements.

Commercially Useful Function – A function performed by an SE when it is responsible for supplying goods or for execution of a distinct element of the work of a contract and carrying out its responsibilities by actually performing, managing and supervising the work involved. To determine whether an SE is performing a Commercially Useful Function, the amount of work subcontracted, industry practices and other relevant factors shall be evaluated. Commercially Useful Function is measured for purposes of determining participation on a contract, not for determination of certification eligibility.

Conduit – An SE that knowingly agrees to pass the scope of work for which it is listed for participation, and is scheduled to perform or supply on the contract, to a non-SE firm. In this type of relationship, the SE has not performed a Commercially Useful Function and the arranged agreement between the two parties is not consistent with standard industry practice. This arrangement does not meet the Commercially Useful Function requirement and therefore the SE's participation does not count toward the SE utilization goal.

SBEDA Plan – The Good Faith Effort Plan ("GFEP"), SBEDA Narrative, List of Subcontractors/Suppliers and executed Letters of Intent (all as applicable) that were submitted with CONTRACTOR's bid for this project Agreement shall be incorporated herein.

For this Agreement, the Parties agree that:

- (a) The terms of the CITY's SBEDA Ordinance, as amended, together with all requirements and guidelines established under or pursuant to the Ordinance (collectively, the "SBEDA Program") are incorporated into this Agreement by reference
- (b) The failure of CONTRACTOR or any applicable SE to comply with any provision of the SBEDA Program shall constitute a material breach of the SBEDA Program and this Agreement;
- (c) Failure of CONTRACTOR or any applicable SE to provide any documentation or written submissions required by the CITY Managing Department or SBEDA Program Office pursuant to the SBEDA Program, within the time period set forth by the SBEDA Program Office, shall constitute a material breach of the SBEDA Program and this Agreement;



- (d) During the Term of this Agreement, and any renewals thereof, any unjustified failure to utilize good faith efforts to meet, and maintain, the levels of SE participation identified in CONTRACTOR's SBEDA Plan shall constitute a material breach of the SBEDA Program and this Agreement;
- (e) CONTRACTOR shall pay all suppliers and subcontractors identified in its SBEDA Plan in a timely manner for satisfactory work, pursuant to and as outlined in Section VII, Paragraph F(2)(e) of the SBEDA Ordinance, as amended. Documentation of all billing and payment information applicable to SBEDA Plan suppliers and subcontractors shall be submitted by CONTRACTOR to the CITY Managing Department. Failure to pay SEs in a timely manner or submit the required billing and payment documentation shall constitute a material breach of this Agreement.

The Parties also agree that the following shall constitute a material breach of the SBEDA Program and this Agreement:

- (a) Failure of CONTRACTOR to utilize an SE that was originally listed at bid opening or proposal submission to satisfy SBEDA Program goals in order to be awarded this Agreement, or failing to allow such SE to perform a Commercially Useful Function; and
- (b) Modification or elimination by CONTRACTOR of all or a portion of the scope of work attributable to an SE upon which the Agreement was awarded; and
- (c) Termination by CONTRACTOR of an SE originally utilized as a Subcontractor, Joint Venturer, Supplier, Manufacturer or Broker in order to be awarded the Agreement without replacing such SE with another SE performing the same Commercially Useful Function and dollar amount, or without demonstrating each element of Modified Good Faith Efforts to do so; and
- (d) Participation by CONTRACTOR in a Conduit relationship with an SE scheduled to perform work that is the subject of this Agreement.

Remedies for Violation of SBEDA Program. The Parties further agree that in addition to any other remedies the CITY may have at law or in equity, or under this Agreement for material breach, including the specified remedies available under the SBEDA Program for Alternative Construction Delivery Method, the CITY shall be entitled, at its election, to exercise any one or more of the following remedies if the CONTRACTOR materially breaches the requirements of the SBEDA Program:

- (a) Terminate this Agreement for default;
- (b) Suspend this Agreement for default;
- (c) Withhold all payments due to the CONTRACTOR under this Agreement until such violation has been fully cured or the Parties have reached a mutually agreeable resolution; and/or
- (d) Offset any amounts necessary to cure any material breach of the requirements of the SBEDA Program from any retainage being held by the CITY pursuant to the Agreement, or from any other amounts due to the CONTRACTOR under the Agreement;



Handwritten signature and date: 11/22/09

(e) Suspension, Revocation or Modification of SE Certification: The SBEDA Program Office may suspend or revoke an offending SE's eligibility for Certification, and may suspend its participation from counting toward a project goal, based upon such SE's acting as a Conduit, failing to comply with the provisions of the SBEDA Program, failing to perform a Commercially Useful Function on a project, failing to submit information as required by the SBEDA Program Office, submitting false, misleading or materially incomplete statements, documentation or records, or failing to cooperate in investigations. The SBEDA Program Office may further modify the list of areas for which an SE is certified, if the SE is routinely failing to submit bids or proposals for work in a particular area, or if it becomes apparent that the SE is not qualified to perform work in a particular area.

The Parties agree that nothing in the SBEDA Program or that any action or inaction by the SBEDA Program Office or the SBEDA Program Manager shall be deemed a representation or certification that an SE is qualified to perform work in a particular area for the purposes of this Agreement.

The remedies set forth herein shall be deemed cumulative and not exclusive and may be exercised successively or concurrently, in addition to any other available remedy.

City Process for Exercising SBEDA Program Remedies. The SBEDA Program Manager shall make all decisions regarding the suspension or revocation of an SE's certification as well as the duration of such suspension or revocation. The SBEDA Program Manager shall make a recommendation to the Managing Department Director regarding appropriate remedies for the CITY to exercise in the event a Contractor violates the SBEDA Program. The Managing Department Director responsible for the affected Agreement shall then make the decision as to what remedies will be exercised if the Agreement is valued at less than \$25,000. If the Agreement is valued at \$25,000 or greater, then the Managing Department Director shall make a recommendation regarding appropriate remedies to the City Manager or designee, who shall have final approval regarding the remedy to be exercised except for termination of the Agreement. If the recommended remedy is to terminate the Agreement, then the Managing Department Director or City Manager, or her designee, shall bring forward the recommendation to City Council for final determination.

Special Provisions for Extension of Agreements. In the event the CITY extends this Agreement without a competitive Bid process, the CITY Managing Department responsible for monitoring the Agreement shall establish the following, subject to review and approval by the SBEDA Program Manager:

- (a) a SBEDA Utilization Goal for the extended period;
- (b) a modified version of the Good Faith Efforts ("Modified Good Faith Efforts Plan") set forth in the Program Ordinance, as amended, if CONTRACTOR does not meet the SBEDA Utilization Goal;
- (c) the required minimum Good Faith Efforts outreach attempts that CONTRACTOR shall be required to document in attempting to meet the SBEDA Utilization Goal. The SBEDA Utilization Goal, Modified Good Faith Efforts Plan and the required number of minimum Good Faith Efforts outreach attempts shall be added into the Agreement extension document. The CONTRACTOR entering into the extension shall either meet the SBEDA Utilization Goal or document that it has made the Good Faith Efforts to meet the SBEDA Utilization Goal. Failure to do so shall:
 - (i) subject CONTRACTOR to any of the remedies listed above; and/or
 - (ii) result in rebid of the Agreement to be extended.

