

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda
BIDS AND PROPOSALS

TO: President and Village Board of Trustees
FROM: David A Hulseberg, Village Manager *DAH*
DATE: April 27, 2011 Agenda Date: May 5, 2011
TITLE: Village-Wide Computer Software Purchase

SUBMITTED BY: Tim Sexton, Finance Director
Larry Mcghinnis, I.T. Manager

RESULTS:

Date Bids Were Published:.....Date Bidding Closed: / /

Total Number of Bids Received

Total Number of Bidders Meeting Specifications Yes No

Bid Security Required Yes No

Performance Bond Required Yes No

Were Any Bids Withdrawn Yes No

Explanation..... Yes No

If yes, explain:

Waiver of Bids Requested? Yes No

If yes, explain: New World Systems is the sole proprietary provider for the village-wide comprehensive software purchase.

Award Recommended to Lowest Responsible Bidder Yes No

If no, explain:

FISCAL IMPACT:

Funding for this two year project would come from the technology reserve account.

BACKGROUND/RECOMMENDATION:

See attached memos to Village Manager David Hulseberg from Software Evaluation Team, Tim Sexton, Finance Director and Larry Mcghinnis, IT Manager

Has Recommended Bidder Worked for Village Previously Yes No

If yes, was quality of work acceptable Yes No

Was item bid in accordance with Public Act 85-1295? Yes No

Waiver of bids - Public Act 85-1295 does not apply Yes

REVIEW (as needed):

Finance Director XX *Timothy Sexton* Date 4/27/11

Village Manager XX *David A Hulseberg* Date 4/27/11

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 Noon, Wednesday, prior to the Board Agenda distribution.



To: David A. Hulseberg
Village Manager

From: Tim Sexton, Finance Director
Larry McGhinnis, IT Manager

Date: April 27, 2011

Subject: Village-Wide Software

Executive Summary

Recommendation to purchase NWS software of \$1,421,350, five year NWS maintenance of \$784,000, the SAN and servers purchase of \$143,650, and the Microsoft licensing purchase of \$42,800. The NWS software, SAN and servers, and Microsoft licensing will all be purchased from the Technology Reserve Account. The maintenance costs will be paid from the General Fund and Water/Sewer Fund over the next five years. As discussed with the Village Board during the budget process, the implementation of the police software (Aegis) will take place during FYE 2012, and the implementation of the administrative software (Logos) will take place during FYE 2013.

Background

The Software Evaluation Team recommended that the Village proceed with contract negotiations with New World Systems (NWS) for a complete integrated Enterprise Resource Planning (ERP) system. This recommendation came after the team spent 8 months preparing requirements for a RFQ, sending out the RFQ, selecting vendors for demonstrations, participating in vendor demonstrations, going through on-site visits to other agencies, and finally reviewing the proposals. Attached is the Team's memo on their recommendation.

On February 17, 2011 the preliminary contract was received from New World Systems. Larry and I reviewed the contract then met with Attorney Tom Bayer on February 23 to discuss the process for having the contract reviewed. Tom indicated that he would have Attorney George Wagner review the contract since George had just completed New World System's contract review with Mount Prospect a couple of months earlier.

Village Attorney George Wagner and New World's attorney completed their review and a revised contract was received on 3-24-2011.

Larry and I reviewed the contract and made arrangements to travel to Troy, Michigan on March 28 & 29 to visit the corporate headquarters of NWS, in order to negotiate the contract with NWS. Prior to leaving for the trip Larry spoke with George and reviewed his additional suggestions to the contract that we should consider while we were visiting NWS headquarters.

Our discussions with NWS started with a meeting with Larry Leinweber, President and CEO of NWS. There were presentations on Professional Services (Overview of Implementation Services and Team), Solution Consulting (Overview of NWS Technology, Vision, Software Development Philosophy & Methodologies) and then we spent several hours reviewing the contract and discussing additional changes. The next morning Larry and I went back to NWS for a presentation on Customer Care & Support and to take of tour of their facilities. We were able to observe how support calls were handled and where the development team is located. Finally, we met with the attorney for NWS to review additional changes to the contract.

It is our recommendation that we award a contract to New World Systems for their Logos and Aegis software applications in an amount not to exceed \$1,421,350 for the purchase, installation and training of this software, and \$784,000 for the five years of maintenance costs on the software, for a total of \$2,205,350. This cost does not include hardware or Microsoft Licensing that needs to be purchased separately.

For the past couple of years, Larry and the IT staff have been reviewing the computer hardware infrastructure requirements for changing software platforms. As stated above the hardware and Microsoft licensing is not included in the New World contract.

One of the recommendations that IT has been reviewing for the last couple of years is to implement Hardware Virtualization using a storage area network (SAN). Hardware Virtualization uses software to create a Virtual Machine that emulates a physical computer. By providing multiple Virtual Machines at once, several operating systems can run simultaneously on a single physical machine. Rather than paying for many under-utilized server machines, each dedicated to a specific workload, server virtualization allows those workloads to be consolidated onto a smaller number of more fully-used machines. Server virtualization will help to reduce IT workload and costs, reduce storage space required for servers, and reduce energy costs. Currently, the Village has 24 separate servers, and through the use of the SAN, that number will be reduced to 10 servers.

A storage area network (SAN) is a high-speed data network that interconnects different kinds of data storage devices with associated data servers on behalf of a larger network of users. Typically, a storage area network is part of the overall network of computing resources for an enterprise.

IT is recommending the purchase of hardware and software that will cover the requirements of the NWS software and the village network for the next 5 years. Again, while it is recommended to use a SAN to run NWS software, this replacement will encompass the entire server infrastructure for the Village, and benefit all applications that the Village uses.

IT recommends awarding a purchase from Dell Inc. for servers and storage area network servers in an amount not to exceed \$143,650. We have received government discounts on this purchase.

IT recommends awarding a purchase from CDWG for Microsoft licensing products in an amount not to exceed \$42,800. About 1/3 of this purchase is for the upgrade of Microsoft Exchange to Exchange 2010, which was already planned as part of the FYE 2012 budget process. Purchase of these products is from the state contract through CDWG.

The initial purchase of the NWS software of \$1,421,350, the SAN purchase of \$143,650 and the Microsoft licensing purchase of \$42,800 will all be purchased from the Technology Reserve Account. The maintenance costs will be paid from the General Fund and Water/Sewer Fund over the next five years. As discussed with the Village Board during the budget process, the implementation of the police software (Aegis) will take place during FYE 2012, and the implementation of the administrative software (Logos) will take place during FYE 2013.

SUMMARY OF COSTS

<u>LOGOS SOFTWARE</u>	<u>COST</u>
A Licensed Software	389,900
B Implementation	317,500
C Data File Conversion Services	22,000
D Development software	16,100
ONE TIME PROJECT COST	<u>745,500</u>
E Performance Bond (at Village Option)	9,000
F Travel Expenses	42,000
H Budget custom software	15,000
LOGOS TOTAL COSTS	<u>796,500</u>

<u>Annual Maintenance</u>	
Year 1	0
Year 2	93,000
Year 3	98,000
Year 4	103,000
Year 5	110,000

<u>AEGIS SOFTWARE</u>	<u>COST</u>	<u>TOTALS</u>
A Licensed Software	363,700	
B- Implementation	177,000	
C Third Party Products	59,250	
ONE TIME PROJECT COST	<u>599,950</u>	<u>1,345,450</u>
D Performance Bond (at Village Option)	6,900	
F Travel Expenses	18,000	
AEGIS TOTAL COSTS	<u>624,850</u>	<u>1,421,350</u>

SAN/Servers	143,650
Microsoft Licensing	42,800
Total cost for NWS including Hardware/Software	<u>1,607,800</u>

<u>Annual Maintenance</u>		
Year 1	0	
Year 2	95,000	<u>188,000</u>
Year 3	95,000	<u>193,000</u>
Year 4	95,000	<u>198,000</u>
Year 5	95,000	<u>205,000</u>



To: Dave Hulseberg
Village Manager

From: Software Evaluation Team
Team Leader: Larry McGhinnis *JM*
Assistant Team Leader: John Doser
Public Works: Sue Cermak
Police: Pat Rollins
Finance: Anne Fairbairn
Fire: Vince Hanlon
Community Development: Mike Toth
Village Manager: Denise Kalke
IT: Jim Wozniak
IT: Brandon McLinn

Date: April 13, 2011

Subject: Village-Wide Software

Background:

It is understood that the economic times have placed tremendous pressure on local government and the service delivery model of the future will include enhanced automation to provide excellent customer service to Lombard Residents.

During the FYE 2011 budget process, discussions were held to assess the future direction of the Village as it pertains to procedures, processes, software and hardware. The Police Department requested a new records management system, the iSeries was due for replacement, the economy was not doing well, and our current software vendor is phasing out the iSeries applications and moving to a .net environment. All of these factors were taken into consideration when the suggestion was made to review the replacement of the Village software systems with a completely integrated Enterprise Resource Planning (ERP) software system.

The first step was to determine the members that would make up the software evaluation team. It was decided that the software evaluation team include employees from each department selected by their department head.

Software Team:

The software evaluation team was formed in June 2010 after consultation with IT Manager and each department head. The team consists of one representative from each department plus all of the IT staff. There are a total of 10 members. Due to the magnitude of this project, it was suggested that this review and selection process become one of the employee's objectives for FYE 2011. All the department heads agreed.

The team met for the first time on June 23, 2010 to discuss the Mission Statement, Team Member Responsibilities, Changes, Goals, Objectives, and Schedules.

The Mission Statement adopted by the team:

The Village of Lombard software evaluation team will assess any possible integrated software packages that can be utilized by all village departments to effectively share data, meet government regulations and provide better communications with residents through E-government sites. Positioning the village for the future with an emphasis on providing the best possible customer service to residents and increasing productivity as well as inter-departmental communications while lowering long-term costs.

Team Member Responsibilities:

- Will gather all the information for their department that is requested: i.e. procedures, current software, future expectations, etc.
- Will inform their department of what is being discussed at team meetings.
- Will determine when to bring other individuals into the mix if needed. i.e. GIS, Field personnel, application leaders, etc.
- Will cooperate with other departments in providing information to them.
- Will be one of your objectives

Why are we doing this?

- Old technology
- Retire iSeries
- Better integrated software
- Looking for more cost-effective means
- Current software no longer supported or support contract ending
- New employees are familiar with Microsoft Windows look and feel
- New technology for collaboration
- Better integration available for all processes
- Looking to change fiscal year to coincide with calendar year

What are the objectives?

- Integrated software allowing for Inter-departmental sharing of data/ ease of access
- Provide best possible customer service to residents through better communication with residents (e-government)
- Lower long-term costs through longevity of software's use (10 year minimum solution)
- Meet government regulations (FOIA, e-mail archiving, grants)
- Maximize all components of software package (all departments using all pieces)
- Increase ease of use
- Increase productivity

Project Approach:

Phase One – Information Gathering Stage

The team agreed that due to the magnitude of this project that it was best to meet weekly to gather all the necessary information for the preparation of a Request for Qualifications (RFQ). One of the goals established was to get as close to a fully integrated system as possible. As a starting point the team put together a list of the applications that would be evaluated in a fully integrated system. Below is an alphabetical list of applications included in this evaluation:

- Asset Management
- Business Licensing
- Code Enforcement
- E-Government – External/Internal
- Facilities Management
- Financial
 - Accounts Payable
 - Accounts Receivable
 - Budgeting
 - General Ledger
 - Cashiering
- Fire Records System
- Human Resources
 - Applicant Tracking
 - Benefits
 - Employee Event Tracking
 - Employee Position Control
 - Personnel Management
 - Payroll
- Land/Parcel Management
- Permits
- Police Records System

- Purchasing/Inventory
- Special Assessments
- Utilities – Water Billing
- Work Orders/Service Requests

Not all of the team members use our current software on a daily basis so the first thing each member had to do was meet with employees within their departments and get to know how the current software is being used. They needed to become familiar with the processes and procedures currently being used by their departments and the interaction with other departments. Not only was the team going to review the above applications, they were also given the task to review all software within their departments such as Microsoft Access databases, Excel spreadsheets, other applications, and work documents. The information gathered will not only be used for evaluating a new software system, but it will also be beneficial during the implementation stages of a new system.

Additional tasks assigned to the team included:

- Gather procedure flowcharts
- Department requirements list
- Department wish list
- List of possible vendors for demos
- List of government regulations the Village must abide too

Phase Two – Preparing and Sending a RFQ

During July, August and part of September the team used the information gathered to prepare an RFQ. The RFQ contained 35 pages of general information and requirements. In addition, there were 102 pages of the requirements that covered each of the applications being requested. The RFQ was sent on September 13, 2010 to 15 different vendors. Out of these 15 vendors only 3 responded to the RFQ. The three vendors were SunGard, Tyler and New World Systems.

Phase Three – Evaluate RFQ, Schedule Demos, Site Visits

On October 6, 2010 the team met at the Yorktown Community Policing Center for a full day of undivided attention to review each Vendor's proposal. The full proposals averaged 500 pages double-sided. Instead of providing hard copies, IT prepared a CD for each team member for their review. The team decided to invite all three vendors to participate in two-day demos of their software. These demos were scheduled Nov 4, 10, 12, 16, 17 & 18th.

The team met again at the Yorktown Community Policing Center on December 1, 2010 to discuss the pros and cons of the vendor's demos, how the vendors met the RFQ requirements, and what are the next steps were going to be. The decision was to invite two of the vendors back for a 2nd demo. These demos took place January 26 for NWS and February 9th for Tyler Munis. The team provided the vendors with a list of processes and/or questions to address.

In addition to these demos team members have gone on site visits to other municipalities to get their input on their implementation process, support issues and overall user satisfaction with the new software. Phone calls were also made to other agencies with regards to this type of information gathering.

The review process for each vendor was based on the following criteria:

- Local government focus
- Stability of company
- Corporate vision & strategy
- Technical & Business Support
- Familiar w/ Illinois requirements
- Qualifications & competency of staff
- Initial training and implementation
- Proven application systems

Phase Four – Team Recommendation

The Village of Lombard has been doing a good job of maintaining day-to-day operations at an efficient level. There are some areas where the Village can take advantage of current technology to streamline operations and bring efficiencies to the Village. Some of those areas include:

- Leveraging current technology that will integrate applications. This will allow for
 - Less redundant data entry
 - Drill-down capabilities for better decision making

- Integrated budget process that will save time and key strokes
- One central database for all valuable Village information
- One central area to create reports
- Eliminate “silo systems” or Excel Spreadsheets that contain data that should be readily available in an integrated ERP package
- Using computer or automated workflow to improve communication between departments.
- Employee Self-Service which will allow employees to have greater access to information and allow them to be more self-sufficient.
- Citizen Self-Service which will act as an extension of the Villages website and allow citizens greater access to services of the Village without having to pick up a phone or walk into Village hall.

Based on the demonstrations held, reference checks, and an extensive review of the company, the Software Evaluation Team decided that New World Systems was the best overall Enterprise Software Solution to meet Lombard’s current and future needs. The Software Evaluation Team’s recommendation is to proceed with contract negotiations with New World Systems for a complete integrated ERP system.

Why New World Systems?

- Local government focus (cities & counties).
- In business since 1981 with over 1,200 local government clients.
- Pure .NET architecture.
- Strong alignment with Microsoft and .NET.
- Fully integrated with each module and Microsoft Products.
- Technology approach and vision consistent with Village.
- Comprehensive reporting / analysis capabilities.
- E-suite capabilities.
- Village will be able to have direct input to software developers.
- Illinois connection with recent local implementations (Plainfield, Kane County, Mount Prospect, Palatine, Rosemont, Glenview)
- Village Police Department still using old New World software purchased in 1986.
- Integrates with GTG Geoblade software the Village is currently using as part of GIS.
- Provides Village with a complete integrated ERP System.
- Professionalism of NWS demonstrations, and their software is in live production and has been for several years
- Across applications the software has a consistent look and feel to ease implementation and is similar to internet functionality to attract & retain personnel

After the demonstrations, it was determined that the software available from NWS for the Fire Department was not sufficient for the current needs of the Fire Department. The software currently used by the Fire Department more fully meets their needs than what was available through NWS. Therefore, the Fire Department will continue to utilize their current software, and more fully analyze their options over the next couple years.



STANDARD SOFTWARE LICENSE AND SERVICES AGREEMENT

April 26, 2011

This *Standard Software License and Services Agreement* which includes the attached Exhibits (“this Agreement”) is between New World Systems® Corporation (“New World”), a Michigan Corporation and the Village of Lombard, Illinois, (“Village”) collectively the “Parties” individually a “Party”. This Agreement sets forth the terms and conditions under which New World will furnish the Licensed Products and will provide certain services described herein to Village.

The attached Exhibits include:

- Exhibit AA..... TOTAL COST SUMMARY AND PAYMENT SCHEDULE
- Exhibit A LICENSED STANDARD SOFTWARE AND FEES
- Exhibit B..... PROJECT MANAGEMENT, IMPLEMENTATION AND TRAINING
SUPPORT SERVICES
- Exhibit C STANDARD SOFTWARE MAINTENANCE AGREEMENT (SSMA)
- Exhibit D NON-DISCLOSURE AND SECURITY AGREEMENT FOR THIRD PARTIES
- Exhibit E..... DEMONSTRATION SITE DISCOUNT
- Exhibit F..... DATA FILE CONVERSION ASSISTANCE
- Exhibit G..... VILLAGE REQUESTED STANDARD SOFTWARE ENHANCEMENTS /
MODIFICATIONS AND / OR CUSTOM SOFTWARE
- Exhibit H BUDGET ESTABLISHED FOR VILLAGE REQUESTED STANDARD
SOFTWARE ENHANCEMENTS / MODIFICATIONS AND / OR CUSTOM
SOFTWARE
- Exhibit I..... DEVELOPMENT SOFTWARE
- Exhibit J INCORPORATION BY REFERENCE OF NEW WORLD’S RESPONSE TO
VILLAGE’S RFQ SOFTWARE SPECIFICATIONS
- Exhibit K ACCEPTANCE TESTING
- Appendix 1 REQUEST FOR QUALIFICATIONS – ENTERPRISE RESOURCE
PLANNING (ERP) SYSTEM SENT SEPTEMBER 13, 2010
- Appendix 2 NEW WORLD’S RESPONSE TO REQUEST FOR QUALIFICATIONS –
ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM DATED
OCTOBER 1, 2010

By signing below, each of us agrees to the terms and conditions of this Agreement together with the attached Exhibits. This Agreement contains the complete and exclusive statement of the agreement between us relating to the matters referenced herein and replaces any prior oral or written representations or communications between us. Each individual signing below represents that (s)he has the requisite authority to execute this Agreement on behalf of the organization for which (s)he represents and that all the necessary formalities have been met.

ACKNOWLEDGED AND AGREED TO BY:

NEW WORLD SYSTEMS® CORPORATION
(New World)

VILLAGE OF LOMBARD, ILLINOIS
(Village)

By: _____
Larry D. Leinweber, President

By: _____
Authorized Signature Title

By: _____
Authorized Signature Title

Date: _____

Date: _____

The "Effective Date" of this Agreement is the latter of the two dates in the above signature block.

I. DEFINITIONS

The following terms as defined below are used throughout this **Agreement**:

1. **"Acceptance"**:
Acceptance of each application or module of Licensed Software in the manner described in Exhibit K "Acceptance Testing."
2. **"Authorized Copies"**:
Except as provided in Section II, subparagraph 1.3, the only authorized copies of the Licensed Software and Licensed Documentation are the copies of each application software package defined in this Paragraph. They are:
 - (i) the single copy of the Licensed Software and the related Licensed Documentation delivered by **New World** under this **Agreement**; and
 - (ii) any additional copies made by **Village** as authorized in Section II, subparagraph 1.2.
3. **"An Authorized User/Workstation"**:
Subject to the number of users specified in Exhibit A, any PC workstation that is connected to access the Licensed Software resident on Computer and that may be logged on to access the programs, interfaces, data, or files created and/or maintained by the Licensed Software.
4. **"Computer"**:
The .NET Server(s) to be located at:
*Village of Lombard
255 E. Wilson Avenue
Lombard, IL 60148*
Village shall identify in writing the serial number of the Computer within ten (10) days of receipt of the Computer or within ten (10) days of the Effective Date, whichever is later. If the Computer is to be relocated, **Village** shall notify **New World** of the new location in writing prior to the relocation.
5. **"Confidential Information"**:
Information disclosed or obtained by one Party in connection with, and during the term of, this **Agreement** and designated as "Confidential" by the party claiming confidentiality at the time of disclosure. Confidential Information does not include any information which was previously known to the other party without obligation of confidence or without breach of this **Agreement**, is publicly disclosed either prior or subsequent to the other party's receipt of such information, or is rightfully received by the other party from a third party without obligation of confidence. Confidential Information includes all **Village** data migration information, as well as technical systems architecture, design and other related information.
6. **"Day"**:
One day in time including weekdays, weekends and holidays, not simply a business day. Any reference to days in this **Agreement** shall be calendar days.
7. **"Delivery of Licensed Standard Software"**:
Licensed Standard Software will be delivered in a machine readable form to **Village** via an agreed upon network connection, or on appropriate media if requested, as soon as the software is available after the Effective Date.
8. **"Development Software"**:
Standard application software currently under development by **New World** which, if applicable, will be completed and delivered to **Village** as Licensed Standard Software when available.
8. **"Go-Live"**:
The point at which a software system, module or update/upgrade is implemented into active and live operating mode.
9. **"Hourly Rate"**:
As described in this **Agreement**, **New World** shall provide services to **Village** at the rate of \$150/hour. The hourly rate is protected for 12 months after the Effective Date, at which time the hourly rate shall be the then-current **New World** hourly rate which shall not be more than 3% higher than the prior rate. In no event should the increase occur more than once in a 12-month period.
10. **"Installation of Licensed Standard Software"**:
Installation of the Licensed Standard Software shall be deemed to occur, for all billings or other events described herein, upon the earlier of:
 - (a) the transfer or loading of the Licensed Standard Software onto a **Village** server or computer, or
 - (b) thirty (30) days after delivery of the Licensed Standard Software.
11. **"Licensed Custom Software"**:
Any software (programs or portions of programs) developed by **New World** specifically for **Village's** own use.
12. **"Licensed Documentation"**:
New World User Manuals which includes the current specifications for the Licensed Standard Software and other written instructions relating to the Licensed Software (such as Product Bulletins, installation instructions, and training materials).
13. **"Licensed Products"**:
The Licensed Software, the related Licensed Documentation, and the Authorized Copies of the foregoing.
14. **"Licensed Software"**:
The Licensed Standard Software, Development Software, Upgrades, and Licensed Custom Software provided under this **Agreement**.
15. **"Licensed Standard Software"**:
The current version of **New World** standard and development application software package(s) (in machine readable code) listed in Exhibit A.
16. **"Response to RFQ"**:
New World's Response to "RFQ for Enterprise Resource Planning (ERP) System" dated October 1, 2010.
17. **"RFQ"**:
Village's "Request for Qualifications (RFQ) – Enterprise Resource Planning (ERP) System" sent September 13, 2010.
18. **"SSMA"**:
The **New World** Standard Software Maintenance Agreement as set forth in Exhibit C.

19. **"Travel Expenses"**:
All actual and reasonable travel expenses incurred by **New World** for trips relating to this project, including but not limited to, airfare, rental car, lodging, mileage, parking/tolls, and daily per diem expenses of no more than \$49.75 per person.
20. **"Travel Time"**:
Actual **New World** employee travel time billed at the Hourly Rate up to, but not exceeding, four (4) hours per each trip relating to this project.
21. **"Upgrades"**:
Any enhanced and/or improved versions of the Licensed Standard Software provided as Licensed Standard Software under Exhibit C of this **Agreement** and released after the execution of this **Agreement**.
22. **"Village Liaison"**:
A **Village** employee assigned to act as liaison between **Village** and **New World** for the duration of this **Agreement**. Within ten (10) days of the Effective Date, **Village** shall notify **New World** of the name of the Village Liaison.

II. GENERAL TERMS AND CONDITIONS

1.0 *SINGLE USE LICENSE*

- 1.1 **New World** grants **Village** a nontransferable, nonexclusive, and non-assignable license to use the Licensed Software only on the Computer and only for its internal processing needs. **Village** shall have the right and license to use, enhance, or modify the Licensed Software only for **Village's** own use and only on the Computer and only on an authorized workstation. **New World** will deliver to **Village** one copy of each application of the Licensed Software (in machine readable form compatible with the specified operating environment) and one copy of the related Licensed Documentation. If **Village** fails to pay all license fees specified in Exhibit A and the applicable custom software fees, if any, **Village** shall forfeit the right and license to use the Licensed Products and shall return them to **New World**.
- 1.2 In order to assist **Village** in the event of an emergency, **Village** is permitted to make up to two (2) back-up copies on magnetic media of each application of the Licensed Software and one back-up copy of the related Licensed Documentation. These Authorized Copies may be stored as defined above so long as they are kept in a location secure from unauthorized use. **Village** or anyone obtaining access through **Village** shall not copy, distribute, disseminate, or otherwise disclose to any third party the Licensed Products or copies thereof in whole or in part, in any form or media. This restriction on making and distributing the Licensed Products or copies of any Licensed Product, includes without limitation, copies of the following:
 - (i) Program libraries, either source or object code;
 - (ii) Operating control language;
 - (iii) Test data, sample files, or file layouts;
 - (iv) Program listings; and
 - (v) Licensed Documentation.
- 1.3 Upon written request by **Village**, and with written permission by **New World**, which permission shall not be unreasonably withheld, additional Authorized Copies may be made for **Village's** internal use only.

2.0 *OWNERSHIP*

- 2.1 The Licensed Products and all copyright, trade secrets and other proprietary rights, title and interest therein, remain the sole property of **New World** or its licensors, and **Village** shall obtain no right, title or interest in the Licensed Products by virtue of this **Agreement** other than the nonexclusive, nontransferable, non-assignable license to use the Licensed Products as restricted herein.
- 2.2 The license to use any Licensed Custom Software provided under this **Agreement**, if any, is included in this license. **New World** shall have the right to use any data processing ideas, techniques, concepts, and/or know-how acquired by it in the performance of services under this **Agreement** including the development of Licensed Custom Software for the advancement of its own technical expertise and the performance of other Software License and Service Agreements or any other applicable agreements. **New World** shall have, without restriction, the right to use all programs, procedures, information, and techniques that are publicly available, obtained or obtainable from third parties and/or developed independently by **New World** without specific reference to **Village's** organization.

3.0 CORRECTION AND SOFTWARE MAINTENANCE ON STANDARD SOFTWARE

- 3.1 **New World** provides software correction service and maintenance for the Licensed Standard Software during the term of **Village's** SSMA. See Exhibit C for a description of the SSMA start date and term, the services available and the applicable fees and procedures.

4.0 WARRANTIES

- 4.1 **New World** warrants, for **Village's** benefit only, that the Licensed Standard Software will perform as specified in its user manuals based on the then-current release of the Licensed Standard Software.
- 4.2 **New World** warrants, for **Village's** benefit only, that it possesses the necessary intellectual rights to license to **Village** the Licensed Standard Software provided hereunder.
- 4.3 **New World** warrants, for **Village's** benefit only, that the Licensed Software will provide the capabilities described in the Response to the RFQ as described in Exhibit J.

The foregoing warranties do not apply if the Licensed Product(s) have been modified by any party other than **New World**. **New World** does not warrant that the features or functions of the Licensed Software will meet **Village's** requirements or in any combination or use **Village** selects. EXCEPT AS SPECIFICALLY PROVIDED IN THIS PARAGRAPH 4.0, AND ITS SUBSECTIONS, **NEW WORLD** EXPRESSLY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTIES WITH RESPECT TO THE LICENSED PRODUCTS, INCLUDING BUT NOT LIMITED TO, THE LICENSED PRODUCTS' CONDITION, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.

5.0 INSTALLATION AND TRAINING SUPPORT SERVICES

- 5.1 As provided for in Exhibit B and concurrent with timely payments, **New World** shall make available to **Village** qualified representative(s) who will provide installation and training support services for each application of the Licensed Software delivered. See Exhibit B for a description of the services provided and the applicable fees and procedures.
- 5.2 All shipping and insurance costs to and from the site shall be included in the **Agreement** costs set forth in Exhibit AA. All payments to shipping agents and for insurance fees shall be made directly by **New World**. **Village** shall make no payments concerning the shipment, installation, and delivery of equipment / software which is not a part of this **Agreement** and for which exact payments are not described. **New World** shall be responsible for all arrangements for the shipment and receipt of equipment / software to **Village's** prepared site.

6.0 VILLAGE LIAISON AND VILLAGE RESPONSIBILITIES

The successful implementation of the Licensed Products into **Village's** environment requires **Village's** commitment to and cooperation in the implementation process. Accordingly, **Village** hereby agrees to the following:

- 6.1 **Village** understands that the Licensed Software is designed to run in a specified operating environment which includes hardware, software and related equipment not provided by **New World**. **Village** is responsible for assuring that the appropriate hardware equipment, related components and all cabling are installed timely and are suitable for the successful installation of the Licensed Software.
- 6.2 **Village** agrees to provide the management interface and support necessary to successfully complete the implementation of the Licensed Software. This support includes upper level management priority setting and timely involvement during and after a change in **Village's** organization, **Village's** operations and/or after changes in **Village's** internal policies or procedures which directly affect the software implementation.
- 6.3 **Village** shall assign an upper level employee to serve as the **Village** Liaison for the duration of the Licensed Software implementation. If **Village** must replace the **Village** Liaison for reasons beyond its control, **Village** will assign a new **Village** Liaison as soon as reasonably possible. **New World** is not responsible for any delay caused directly or indirectly by the reassignment of the **Village** Liaison. In addition to other duties and responsibilities, the **Village** Liaison shall:
- (i) provide timely answers to **New World's** requests for information;
 - (ii) coordinate a mutually agreeable implementation and training schedule;
 - (iii) have authority to sign for and obligate **Village** to any matters relating to service requests, design documents, performance test documents and/or delivery and service dates;
 - (iv) in situations where **Village** participation is required, provide timely input for systems definition, detail design, and use of the software system.

- 6.4 **Village** is responsible for creating and maintaining its master files, tables and the like which includes accurate data entry, accurate file editing and overall file control to assure successful systems performance.
- 6.5 **Village** shall provide qualified personnel with sufficient backup to be trained to use the Licensed Software and to interpret the output. Applying the output information in **Village's** environment is **Village's** sole responsibility.
- 6.6 In the event that the **Village** believes that the **New World** personnel provided are not qualified, **Village** shall inform the **New World** Professional Services Manager and/or the **New World** Vice President of Operations in writing (or via email) and include some reason for its dissatisfaction. Possible remedies are replacement of the **New World** person providing the service and/or supplementing the person providing the training with another trainer. If a supplemental person is added by **New World**, **Village** shall only pay for one person unless otherwise agreed upon by the Parties.

7.0 *BILLING AND ADDITIONAL AUTHORIZED WORKSTATION CHARGES*

- 7.1 The attached Exhibits set forth the manner in which fees and payments shall be allocated and made under this Agreement. Past due amounts are subject to the Illinois Governmental Prompt Payment Act. To the extent **Village** imposes additional requirements on **New World** for services other than those expressly provided in this Agreement, **New World** retains the right to make additional price adjustments and/or any other adjustments that may be necessitated. Before performing these additional services, **New World** will notify **Village** that the services are subject to additional charge(s) and will not proceed until receiving written approval from **Village** Liaison.
- 7.2 If **Village** wishes to add additional authorized workstations or Licensed Standard Software, **Village** agrees to pay the additional License fees at the then current software prices in effect. SSMA fees shall be increased according to the additional Licensed Standard Software fees on the next annual billing date after the additional workstations and/or Licensed Standard software is added, or as specified in the future contract. With said payments, the license provided in Section II, Paragraph 1.0 permits **Village's** use of the Licensed Software for the specified workstations.
- 7.3 **Village** shall notify **New World** if additional authorized workstations need to be added to access the Licensed Software and will pay the additional authorized workstation fees according to the Illinois Governmental Prompt Payment Act.
- 7.4 **Village** shall notify **New World** of any disputed invoices within fifteen (15) days of receipt of invoice. The parties agree to use their best efforts in resolving any disputed invoices.

8.0 *NON-RECRUITMENT OF PERSONNEL*

- 8.1 During, and for a period of twenty-four (24) months after the expiration of, the Standard Software Maintenance Agreement and/or any renewal maintenance agreement, each party agrees not to solicit or hire current or former employees of the other without the other's prior written consent.

9.0 *CONFIDENTIAL INFORMATION / NON-DISCLOSURE AGREEMENT*

- 9.1 Subject to the requirements of the Freedom of Information Act (FOIA) and/or other comparable applicable state law, each Party shall hold all Confidential Information in trust and confidence for the Party claiming confidentiality and not use such Confidential Information absent express written consent by the Party claiming confidentiality. The other Party agrees not to disclose any such Confidential Information, by publication or otherwise, to any other person or organization. **Village** agrees to timely notify **New World** of any request(s) made for disclosure of confidential information.
- 9.2 **Village** hereby acknowledges and agrees that all Licensed Products are Confidential Information and proprietary to **New World**. In addition to the other restrictions set forth elsewhere in this Agreement or otherwise agreed to in writing, **Village** agrees to implement all reasonable measures to safeguard **New World's** proprietary rights in the Licensed Products, including without limitation the following measures:
 - (i) **Village** shall only permit access to the Licensed Products to those employees who require access and only to the extent necessary to perform **Village's** internal processing needs.
 - (ii) With respect to agents or third parties, **Village** shall permit access to the Licensed Products only after **New World** has received, approved and returned a fully executed Non-Disclosure Agreement to **Village** (see Exhibit D). **New World** reserves the right to reasonably refuse access to a third party after it has evaluated the request. **Village** agrees to

- provide information reasonably requested by **New World** to assist **New World** in evaluating **Village's** request to permit third party access to the Licensed Products;
- (iii) **Village** shall cooperate with **New World** in the enforcement of the conditions set forth in the attached Non-Disclosure Agreement or any other reasonable restrictions **New World** may specify in writing in order to permit access;
 - (iv) **Village** shall not permit removal of copyright or confidentiality labels or notifications from its proprietary materials; and
 - (v) **Village** shall not attempt to disassemble, decompile or reverse engineer the Licensed Software.
- 9.3 Both Parties agree that in addition to any other remedies that may be available at law, equity or otherwise, either Party shall be entitled to seek and obtain a temporary restraining order, injunctive relief, or other equitable relief against the continuance of a breach or threatened breach of this paragraph 9.0 on Confidentiality and Non-Disclosure without the requirement of posting a bond or proof of injury as a condition for the relief sought.
- 9.4 **New World** agrees to use its best efforts to cooperate and assist **Village** in the event **Village** is required to defend any refusal by **Village** to disclose Confidential Information pursuant to public records laws.
- 9.5 It shall not be a breach of this **Agreement** if **Village** is required to disclose or make the Licensed Products or any other Confidential Information available to a third party or to a court if required to be disclosed pursuant to the Illinois Freedom of Information, or is subpoenaed or otherwise ordered by an administrative agency or court of competent jurisdiction to be produced

10.0 *LIMITATION OF LIABILITY AND RECOVERABLE DAMAGES*

With the exception of claims brought pursuant to Section 16, **New World's** entire liability and **Village's** exclusive remedies are set forth below:

- 10.1 For any claim relating to the non-conformance or imperfection of any licensed software provided under this **Agreement**, **New World** will correct the defect so that it conforms to the warranties set forth in Section 4.0; or if after repeated attempts to correct the non-conformity, **New World** is unable to correct the non-conformity, then **Village** may recover its actual damages subject to the limits set forth in subparagraph 10.2 below. For any other claim arising under or in connection with this **Agreement**, **Village** may recover its actual damages subject to the limits set forth in subparagraph 10.2 below.
- 10.2 **New World's** total liability to **Village** for all claims relating to the Licensed Products and this **Agreement**, including any action based upon contract, tort, strict liability, or other legal theory, shall be limited to **Village's** actual damages and in no event shall **New World's** liability exceed two times the Exhibit A Licensed Standard Software fees paid to **New World**.
- 10.3 **New World** shall not be liable for any punitive and/or exemplary damages arising from or related to a breach of this **Agreement** or any order or the operation or use of the Licensed Products.
- 10.4 If it is determined that a limitation of liability or a remedy contained herein fails of its essential purpose, then the parties agree that the exclusion of punitive, and/or exemplary damages is still effective.

11.0 *INTEGRATION WITH U.S. COPYRIGHT ACT*

- 11.1 In addition to all other provisions provided under this **Agreement**, both Parties agree to be bound by and to comply with any and all provisions of the U.S. Copyright Act (*The Copyright Act of 1976, U.S.C. Sections 101-810 (1976) as amended*). If a provision of the U.S. Copyright Act and this **Agreement** conflict, the more restrictive of the two applies. If it cannot be determined which is the more restrictive, then the provision within this **Agreement** shall apply.

12.0 *INDEPENDENT CONTRACTOR*

- 12.1 **New World** is an independent contractor. The personnel of one Party shall not in any way be considered agents or employees of the other. To the extent provided for by law, each Party shall be responsible for the acts of its own employees.
- 12.2 Each Party shall be responsible for Workers' Compensation coverage for its own personnel.

13.0 INSURANCE REQUIREMENTS

New World shall not commence work under this Agreement until it has obtained the insurance required under this paragraph.

- 13.1 **Workers' Compensation Insurance:** New World shall procure and maintain Workers' Compensation Insurance for all of its employees who engage in the work to be performed.
- 13.2 **Liability and Property Insurance – Commercial General Liability Form:** New World shall procure and maintain Liability and Property Damage Insurance in an amount not less than \$1,000,000 on account for each accident; and in an amount not less than \$1,000,000 for each accident for damage to property.
- 13.3 **Automobile Liability Insurance:** New World shall procure and maintain Owned, Hired and Non-Ownership Motor Vehicle Bodily Injury and Property Damage Insurance in an amount not less than \$1,000,000 for injuries, including accidental death, to each person; and, subject to the same limit for each person, in an amount not less than \$1,000,000 for each accident; and in an amount not less than \$1,000,000 on account for each accident for damage to property.
- 13.4 **Umbrella Policy:** New World shall provide satisfactory evidence of insurance coverage of an Umbrella Coverage policy of \$3,000,000.
- 13.5 New World shall furnish to Village a copy of the insurance policies required herein and all subsequent changes or updates. Said policies shall include an endorsement or statement waiving the right of cancellation or reduction in coverage unless thirty (30) days prior written notice is given to the Village by registered or certified mail. New World shall maintain such coverages for at least six (6) months after the termination of the Agreement. Nothing contained in these insurance requirements shall be construed as limiting the extent of New World's responsibility for payment of damages or claims resulting from its performance under this Agreement.
- 13.6 **Other Requirements:** Evidence of insurance coverage, required herein, is to be provided to Village in ACORD Certificate Form 25 or 25-S and must indicate:
- (i) The Commercial General Liability insurance policy includes coverage for items specified in this Section.
 - (ii) A Best's rating for each insurance carrier at B+VII or better.
 - (iii) That the insurance company will provide 30 days written notice of cancellation to the certificate holder and phrases, such as "endeavor to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" shall not apply and shall be removed.
 - (iv) That "Village of Lombard, IL" is a primary additional insured and loss payee on the Commercial General Liability policy.
- 13.7 **Professional Liability Insurance:** For thirty (30) days from Effective Date, Village has the option to direct New World to procure professional liability (E&O) insurance on its behalf. Should Village elect this coverage, it shall notify New World in writing prior to the expiration of the thirty (30) day option. The cost for all premiums for said coverage shall be borne by Village.

14.0 DISPUTE RESOLUTION PROCEDURE

14.1 Any dispute or controversy arising out of or relating to this Agreement, or breach thereof, shall be settled by the following procedure.

- Level 1: Before entering into Level 2 or Level 3 of this Dispute Resolution Procedure (DRP), the Village shall enter into a series of management meetings for the purpose of resolving the dispute or controversy through normal business management practices. The series of meetings, consisting of not less than three face-to-face meetings, must be held between upper-level managers of both the Village and New World. Both Parties agree to put forth their best efforts in these meetings. The first meeting shall be held at the Village's offices and subsequent meetings will alternate between New World and the Village's offices. The Level 1 period shall begin when one Party gives notice to the other by certified mail that it is entering into this Level 1 procedure to resolve the dispute. Level 1 shall be completed within thirty (30) days of commencement unless otherwise agreed to by the Parties.

Level 2: Only after the Parties have completed Level 1 of the DRP without resolving the dispute or controversy and before entering into Level 3 of the DRP, the **Village** and **New World** shall enter into a mediation process. Each Party shall bear its own costs in preparing for and conducting mediation, except that the joint costs, if any, of the actual mediation proceeding shall be shared equally by the Parties. The mediation process is defined as follows:

The Parties shall select a mutually agreeable mediator from the American Arbitration Association lists or any other agreeable list to aid the Parties in resolving the dispute or controversy. The mediator shall not be an employee or former employee of either Party. The first meeting shall be held at a location chosen by the Village. At the meetings, each Party may present materials and/or arguments to the mediator. The mediator's decision shall not be binding upon either Party.

Level 2 shall be completed within thirty (30) days of commencement unless otherwise agreed to by the Parties.

Level 3: Only after the completion of both Levels 1 and 2 above without a satisfactory resolution of the dispute or controversy, either Party may bring suit in the United States District Court for the Northern District of Illinois, so long as subject matter jurisdiction is met, otherwise in the Circuit Court of DuPage County, Illinois. In the event that a Party initiates a Level 3 action, the Parties hereby unconditionally waive their respective rights to a jury trial. Each Party shall bear the cost of their own legal expenses if Level 3 is used

15.0 TERMINATION

15.1 **By Village:** If **New World** fails to provide the Licensed Software as warranted in accordance with the terms of this Agreement, **Village** may at its option terminate this Agreement with ninety (90) days written notice as follows:

- (i) The termination notice shall provide a detailed description (with examples) of any warranty defects claimed;
- (ii) **New World** shall have sixty (60) days from receipt of said notice to correct any warranty defects in order to satisfy the terms of this Agreement;
- (iii) During the sixty (60) day cure period, **Village** shall apply sound management practices and use its best efforts to resolve any issues or obstacles – including cooperating with **New World** and reassigning personnel if necessary to improve the working relationship;
- (iv) At the end of sixty (60) days unless the termination has been revoked in writing by **Village**, the Agreement terminates.

15.2 **By New World:** If **Village** fails to make payments to **New World** in accordance with the terms of the Agreement, or if **Village** fails to fulfill its responsibilities under this Agreement, including but not limited to those outlined in Section II, Paragraph 6.0, then **New World** may at its option terminate this Agreement with written notice as follows:

- (i) The termination notice shall define the reason for termination;
- (ii) If the cited reason for termination is **Village's** failure to make payment in accordance with the terms of this Agreement, **Village** shall have thirty (30) days from receipt of said notice to make payment in full for all outstanding, undisputed invoiced payments due;
- (iii) If the cited reason for termination is **Village's** failure to fulfill its responsibilities, **Village** shall have ninety (90) days from receipt of said notice to correct any actual deficiencies in order to satisfy the terms of this Agreement;
- (iv) During the applicable cure period, **New World** will use sound management practices and its best efforts to resolve any issues or obstacles – including the reassignment of personnel if necessary to improve the working relationship;
- (v) At the end of the applicable cure period, unless the termination has been revoked in writing by **New World**, the Agreement terminates.

15.3 In the event of termination by either Party, **New World** shall continue to provide its services, as previously scheduled, through the termination date and the **Village** shall continue to pay all fees and charges incurred through the termination date as provided in the attached Exhibits.

15.4 Upon termination under subparagraph 15.1, **Village** shall return to **New World** all Licensed Products, including any copies provided to or created by **Village** under this Agreement.

- 15.5 Nothing in this paragraph on termination is intended to infer that either Party has or does not have a claim for damages.
- 15.6 The Terms and Conditions relating to ownership (2.0), warranties (4.0), non-recruitment of personnel (8.0), confidentiality and non-disclosure (9.0), limitation of liability and recoverable damages (10.0), Copyright Act, (11.0) dispute resolution (14.0), indemnity (16.0) and the General provisions (18.0) shall survive termination.

16.0 INDEMNIFICATION

- 16.1 **New World** agrees to indemnify and save the **Village** harmless from and against any and all losses, claims, damages (including loss of use), demands, judgments, suits, costs, and expenses resulting from any alleged infringement of any patent, trademark or copyright arising from claims of violation of state and United States patents, trademarks or copyrights resulting from **New World's** or the **Village's** use of any equipment, technology, documentation, and/or data developed in connection with the services and products described in this **Agreement**, provided that **Village** has notified **New World** in writing of such allegation within sixty (60) days of the date upon which the **Village** first receives notice thereof. **New World's** obligation to indemnify and save **Village** harmless under this paragraph is void if the claim of infringement arises out of or in connection with any modification made by **Village** to the Licensed Standard Software or any use of the Licensed Standard Software not specifically authorized in writing by **New World**.

New World, at its own expense, shall completely and entirely defend the **Village** from such claims or suits brought against **Village**. The **Village** will also assist **New World**, in all reasonable ways, in the preparation of information helpful to **New World** in defending the **Village** against this suit.

In the event that the **Village** is required to pay monies in defending such claims, resulting from the **New World** being uncooperative or unsuccessful in representing the **Village's** interest, or in the event that **Village** is ordered to pay damages as a result of a judgment arising out of an infringement of patents, trademarks and/or copyrights, **New World** agrees to fully reimburse the **Village** for all monies expended in connection with these matters.

- 16.2 **New World** agrees to provide indemnification for the acts of its employees, but not indemnification for its Licensed Products, except as the Licensed Products are indemnified under the provisions of Paragraph 16.0.

New World assumes the liability for all losses, claims, damages (including loss of use), expense demands, claims, damages and judgments in connection with or arising out of any injury or damage to property, sustained in connection with, or to have arisen out of the performance of, **New World**, and **New World's** agents, subcontractors, servants and employees, including losses, expenses or damages sustained by the **Village** and losses, expenses or damages to **New World** or **New World's** subcontractor's vehicles or property. **New World** hereby undertakes and agrees to indemnify, defend and hold harmless the **Village**, individually or collectively, and the officers, agents, servants and employees of the **Village**, from any and all such losses expenses, damages (including loss of use, judgments, demands and claims), and shall defend any suit or action brought against them, or any of them, based on any alleged injury (including death) or damage (including loss of use) and shall pay all damages, judgments, costs and expenses, including attorney's fees, in connection with said damages and claims resulting therefrom. The foregoing assumption, indemnification, hold harmless and undertaking of defense shall not apply to any loss, damage, expenses, demand, claim or cause of action arising out of, or caused by the sole negligence of the **Village**, individually or collectively, or the officers, agents or employees of said **Village**.

17.0 NOTICES

- 17.1 Notices to **Village** shall be deemed effective when received by Registered or Certified U.S. Mail, prepaid, to the **Village**:

Village of Lombard
Attention: Village Manager
255 East Wilson Avenue
Lombard, Illinois 60148-3931

- 17.2 Notices to **New World** shall be deemed effective when received by Registered or Certified U.S. Mail, prepaid, to the following address (or to any other address so specified by **New World**):

New World Systems Corporation
888 West Big Beaver,
Suite 600 Troy, Michigan 48084
Attention: President

18.0 *GENERAL*

- 18.1 This **Agreement** is the entire agreement between the Parties superseding all other communications, written or oral, between the Parties relating to the subject matter of this **Agreement**.
- a The **Agreement** may be modified or extended in accordance with the following procedures. In the event that all Parties to the **Agreement** agree that such changes would be of a minor and non-material nature, such changes may be effected by a written statement that describes the situation and is signed, prior to the effectiveness, by all Parties. In the event that the changes are determined by either or all Parties to the **Agreement** to be of a major or complex nature, then the change shall be by formal amendment of the **Agreement** signed by the Parties and made a permanent part of the **Agreement**.
- b Under no circumstances, however, shall any Parties to the **Agreement** forfeit or cancel any right presented in the **Agreement** by delaying or failing to exercise the right or by not immediately and promptly notifying the other Party in the event of a default. The payment of funds to **New World** by **Village** should in no way be interpreted as Acceptance of the system or any application or module, or the waiver of performance requirements.
- 18.2 This **Agreement** is governed by the laws of the State of Illinois and it shall be binding on the successors and assigns of the parties.
- 18.3 Actions arising out of the services performed or Licensed Products delivered hereunder, may be brought by either Party no more than five (5) years after the cause of action has accrued. All other actions are subject to the applicable statute of limitations.
- 18.4 The paragraph headings which appear herein are included solely for convenience and shall not be used in the interpretation of this **Agreement**. Any provision of this **Agreement** determined to be invalid or otherwise unenforceable shall not affect the other provisions, which other provisions remain in full force and effect.
- 18.5 This **Agreement** is entered into solely for the benefit of **New World** and **Village**. No third party shall have the right to make any claim or assert any right under it, and no third party shall be deemed a beneficiary of this **Agreement**.
- 18.6 Neither of the Parties to the **Agreement** shall assign or encumber any of its rights, or delegate or subcontract any of its duties defined in the **Agreement**, in whole or in part, to other third parties unless the other Party to the **Agreement** gives prior written consent. Subject to the foregoing covenant against assignment and delegation, the rights created by the **Agreement** shall pass to the benefit of the Parties and the duties and obligations resulting from the **Agreement** shall bind the Parties and their respective successors and assignees.
- 18.7 **New World** shall not use, in its advertising, marketing programs, or other promotional efforts, any data, pictures, or other representation of the **Village** except on the specific written authorization in advance of the **Village's** Village Manager or designee. **New World** will limit any of its advertising on the **Village's** premises and shall make arrangements for such advertising through the **Village's** Village Manager or designee. **New World** shall not install any signs or other displays within or without the **Village's** premises unless in each instance the prior written approval of the **Village's** Village Manager or designee has been obtained. However, nothing in this clause shall preclude **New World** from listing the **Village** on its routine client list for matters of reference.
- 18.8 **Village** is exempt from paying sales taxes and its Federal Taxpayer ID number is 36-6005975.

- 18.9 **New World** shall, as a condition of providing goods and services, adhere to all applicable Federal, State and Local laws, ordinances, rules and regulations, and policies, in the performance of its duties and obligations under this Agreement, including prohibiting discrimination in regard to persons to be served and employees and applicants for employment including, but not limited to, the following:
1. Provide a drug free workplace pursuant to the Illinois Drug Free Workplace Act (30 ILCS 580/1, et seq.);
 2. Comply with the Illinois Public Works Employment Discrimination Act (775 ILCS 10/1, et seq.);
 3. Comply with Article 2 of the Illinois Human Rights Act (775 ILCS 5/2-101, et seq.), and the Rules and Regulations of the Illinois Department of Human Rights, including establishment and maintenance of a sexual harassment policy as required by Section 2-105 of that Article and Act;
 4. Comply with the American with Disabilities Act;
 5. Comply with the Illinois Prevailing Wage Act (820 ILCS 130/1, et seq.); and
 6. Comply with the provisions of the EQUAL EMPLOYMENT OPPORTUNITY CLAUSE required by the Illinois Department of Human Rights as a material term of all public contracts, see Title 44, Part 750, Section 750, APPENDIX A, Illinois Administrative Code, Equal Employment Opportunity Clause.
 7. Comply with the Illinois Identity Protection Act, 5 ILCS 179/1 et seq., the Illinois Personal Information Protection Act, 815 ILCS 530/1 et seq., the Fair and Accurate Credit Transactions Act of 2003, and the Federal Trade Commission's red flag rules, which, among other things, protect social security numbers and other personal or sensitive information, as defined therein.
- 18.10 This **Agreement** may be executed in counterparts, each of which shall be an original and all of which together shall constitute one and the same **Agreement**.
- 18.11 If any portion of this Agreement is declared invalid, illegal or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continued in full force and effect.
- 18.12 For a period of ninety (90) days from the Effective Date, **Village** may request that **New World** provide a Performance Bond. If directed to do so, **New World** will provide a Performance Bond in the amount of the one-time project cost listed on Exhibit AA at **Village's** expense. The cost of the bond will be billed to **Village** and **Village** agrees to pay promptly for the Performance Bond when invoiced.

EXHIBIT AA
TOTAL COST SUMMARY AND PAYMENT SCHEDULE

I. Total Cost Summary: Licensed Standard Software, Implementation Services, And Third Party Products

<u>DESCRIPTION OF COST</u>	<u>COST</u>
A. LICENSED STANDARD SOFTWARE as further described in Exhibit A	\$389,900
1. Licensed Standard Software	\$557,000
2. Less Demonstration Site Discount	(167,100)
B. IMPLEMENTATION SERVICES	317,500
1. PROJECT MANAGEMENT as further described in Exhibit B	
2. IMPLEMENTATION AND TRAINING SERVICES as further described in Exhibit B	
3. INTERFACE INSTALLATION SERVICES as further described in Exhibit B	
4. OTHER IMPLEMENTATION SERVICES as further described in Exhibit B	
5. CUSTOM SOFTWARE/MODIFICATION SERVICES as further described in Exhibit G	
C. DATA FILE CONVERSION SERVICES	
1. Data File Conversion assistance services as further described in Exhibit F	22,000
D. DEVELOPMENT SOFTWARE	16,100
1. Development Software as further described in Exhibit I	23,000
2. Less Demonstration Site Discount	(6,900)
ONE TIME PROJECT COST:	<u>\$745,500</u>
E. OPTIONAL PERFORMANCE BOND	
1. Performance Bond	9,000
F. TRAVEL EXPENSES (Estimate) – billed as incurred	\$42,000
G. STANDARD SOFTWARE MAINTENANCE SERVICES – as further described in Exhibit C	
H. BUDGET ESTABLISHED FOR VILLAGE REQUESTED STANDARD SOFTWARE ENHANCEMENTS / MODIFICATIONS AND / OR CUSTOM SOFTWARE – as further described in Exhibit H	\$15,000

PRICING ASSUMES CONTRACT EXECUTION BY MAY 17, 2011.

Exhibit AA / COST SUMMARY AND PAYMENT SCHEDULE

II. Payments for Licensed Standard Software, Implementation Services, and Third Party Products

<u>DESCRIPTION OF PAYMENT</u>	<u>PAYMENT</u>
A. LICENSED STANDARD SOFTWARE as further detailed in Exhibit A	\$389,900
1. Amount invoiced upon Effective Date (20%)	\$77,980
2. Amount invoiced upon Project Kickoff Meeting (30%)	116,970
3. Amount invoiced upon Go-Live of Financial Management Base Suite or 365 days from Effective Date, whichever occurs first. (30%)	116,970
4. Amount invoiced upon Go-Live of Human Resources Management Base Suite or 365 days from Effective Date, whichever occurs first. (20%)	77,980
B. IMPLEMENTATION SERVICES	317,500
1. Amount invoiced upon Project Kickoff Meeting (20%)	63,500
2. Amount invoiced upon delivery of Project Plan (20%)	63,500
3. Amount invoiced upon Go-Live of Financial Management Base Suite or 450 days from Effective Date, whichever occurs first. (20%)	63,500
4. Amount invoiced upon Go-Live of Human Resources Management Base Suite or 540 days from Effective Date, whichever occurs first. (20%)	63,500
5. Amount invoiced upon project completion or 600 days after the Effective Date, whichever comes first (20%)	63,500
C. DATA FILE CONVERSION SERVICES	22,000
1. Amount invoiced upon delivery of Conversion Design Document (50%)	11,000
2. Amount invoiced upon delivery of data file conversion (50%)	11,000
D. DEVELOPMENT SOFTWARE	16,100
1. Amount invoiced upon delivery of Licensed Software (100%)	16,100
ONE TIME PROJECT COST PAYMENTS:	<u>\$745,500</u>

Exhibit AA / COST SUMMARY AND PAYMENT SCHEDULE

E.	OPTIONAL PERFORMANCE BOND	9,000
1.	Performance Bond – invoiced upon Request from Village	9,000
F.	TRAVEL EXPENSES (*Estimate) (These expenses are billed as incurred)	\$42,000*
1.	35 trips are anticipated	
2.	Travel Time for the estimated 35 trips is not included in this estimate and will be billed as incurred.	
G.	STANDARD SOFTWARE MAINTENANCE SERVICES – as further detailed in Exhibit C	
H.	BUDGET ESTABLISHED FOR VILLAGE REQUESTED STANDARD SOFTWARE ENHANCEMENTS / MODIFICATIONS AND / OR CUSTOM SOFTWARE as further described in Exhibit H	\$15,000

**ALL PAYMENTS ARE DUE IN ACCORDANCE WITH
THE ILLINOIS GOVERNMENTAL PROMPT PAYMENT ACT.**

Billings are applied ratably to each deliverable included under the total one-time cost.

EXHIBIT A
LICENSED STANDARD SOFTWARE AND FEES

License Fee for Licensed Standard Software And Documentation Selected By Village:

LOGOS.NET STANDARD APPLICATION SOFTWARE ^{1,2,3}		
ITEM	DESCRIPTION	INVESTMENT

FINANCIAL MANAGEMENT

1. **Logos.NET Financial Management Base Suite**
 - General Ledger
 - Budget Management
 - Annual Budget Preparation
 - Accounts Payable
 - Revenue/Cash Receipting

2. **Logos.NET Additional Financial Management Software**
 - Asset Management
 - Project Accounting
 - Misc. Billing & Receivables
 - Government (GASB) Reporting
 - Data Views/Financial Report Writer⁵
 - Bank Reconciliation
 - Work Orders

3. **Expanded Revenue Collections**
 - PC Cash Register Interface (Multi-Application)

4. **Logos.NET Procurement Management Suite**
 - Purchasing Base
 - Requisition Processing
 - Bid & Quote Management
 - Contract Accounting
 - Inventory Management

PAYROLL & HUMAN RESOURCES SUITE

5. **Logos.NET Human Resources Management Base Suite**
 - Payroll Processing
 - Personnel Management
 - Position Control

6. **Logos.NET Human Resources**
 - Employee Event Tracking
 - Personnel Action Processing

7. **Logos.NET Benefits Management**
 - Benefits Administration

8. Logos.NET Additional Payroll & HR Modules

- Applicant Tracking
- Position Budgeting
- Benefit Tracking (Non-Employee)
- Data Views/Payroll & HR Report Writer⁵

UTILITY MANAGEMENT SUITE

9. Logos.NET Utility Management Software

- Water/Sewer/Refuse Base Package

10. Logos.NET Additional Utility Management Modules

- Automatic Meter Read (AMR) Interface ⁶
- Meter and Device Inventory

COMMUNITY DEVELOPMENT SUITE

11. Logos.NET Community Development Software

- Business Licensing
- Parcel Management
- Permits
- Municipal Inspections
- Code Enforcement
- Requests for Services Tracking

12. Logos.NET Additional Community Development Modules

- GIS Integration ⁷
 - Community Development
 - Business Licensing (4 screens)*
 - Parcel Management (7 screens)*
 - Permits (2 screens)*
 - Municipal Inspections (4 screens)*
 - Code Enforcement (3 screens)*
 - Requests for Services Tracking (1 screen)*
- Utility Billing
 - Base Package (3 screens)*
 - Meter Inventory (1 screen)*
 - Service Order Processing (4 screens)*
- Financial Management
 - Asset Management (2 screens)*
 - Work Orders (1 screen)*

- GIS Data Views
 - Community Development
 - Business Licensing (1 screen)*
 - Parcel Management (1 screen)*
 - Permits (1 screen)*
 - Municipal Inspections (1screen)*
 - Code Enforcement (1 screen)*
 - Utility Billing
 - Base Utilities (1 screen)*
 - Meter Inventory (1 screen)*
 - Financial Management
 - Asset Management (1 screen)*

eSUITE

- 13. **eSuite Base Software**
- 14. **eFinance**
 - eSupplier
 - eBid
 - ePayments
- 15. **eHR**
 - eEmployee
 - eTimesheets
 - eBenefits Administration
 - eRecruit
- 16. **eUtility**
 - eUtilities
- 17. **eCommunity**
 - ePermits
 - eLicense
 - eRequest

BUSINESS ANALYTICS

- 18. **Finance Analytics**
- Includes 10+ users
- 19. **Human Resource/Payroll Analytics**
- Includes 10+ users
- 20. **Utility Management Analytics**
- Includes 10+ users
- 21. **Community Development Analytics**
- Includes 10+ users

AUTHORIZED USERS

22. Site License for up to 700 Authorized Users ⁴	Included
NEW WORLD STANDARD SOFTWARE LICENSE FEE	557,000
LESS DEMONSTRATION SITE DISCOUNT	(167,100)
TOTAL SOFTWARE LICENSE FEE ⁸	\$389,900

Note: A Site License is included for this solution. This Site License entitles the Village of Lombard, IL, to 700 authorized users for the Standard Software licensed in Exhibit A, to be divided up between applications. The Site License is available to only the affiliated Public Administration agencies within the Village of Lombard, Illinois.

Exhibit A / LICENSED STANDARD SOFTWARE AND FEES

ENDNOTES

- ¹ *Personal Computers must meet the minimum hardware requirements for New World Systems' Logos.NET product. Microsoft Windows XP or greater with IE 7.0 or greater is the required operating systems for all client machines. Windows 2008 Server is required for the Application Server(s), Web Server(s) and Database Server. Microsoft SQL Server 2008 is required for the Database Server.*
- ² *New World Systems' Logos.NET product requires Microsoft Windows 2008 Server and Microsoft SQL Server 2008 including required Client Access Licenses (CALs) and Windows Server 2008 External Connector (EC) licenses for applicable Microsoft products. Servers must meet minimum hardware requirements provided by New World Systems.*
- ³ *Suggested minimum: 100MB Ethernet Network. 10MB CAT5 Ethernet Network may have less than adequate response time. Further consultation would be required to assess your network.*
- ⁴ *Additional cost per group of 5 for authorized users is \$5,000.*
- ⁵ *Requires a Third Party writing tool. New World recommends Crystal Reports 11 or greater, not included in this proposal. However, several other tools may be utilized that support an ODBC connection.*
- ⁶ *Currently supports interfaces to Sensus/Rockwell, Neptune, Itron, Radix, Syscon and Schlumberger devices. Technical assurance must be obtained to verify the Business Partner's software/hardware release level interface requirements.*
- ⁷ *GIS integration currently supports either ESRI's ArcIMS or ArcGIS Server software; the ArcIMS and ArcGIS Server software and any services related to the installation and setup of ArcIMS or ArcGIS are not included in this proposal. The ArcIMS or ArcGIS Server software would need to be purchased, installed and setup separately.*
- ⁸ *Prices assume that all software proposed is licensed.*

EXHIBIT B
PROJECT MANAGEMENT, IMPLEMENTATION AND
TRAINING SUPPORT SERVICES

1. Project Management Services

New World shall act as Project Manager to assist Village's management in implementing the Exhibit A software. This responsibility will include documenting, coordinating and managing the overall Implementation Plan with Village's management and the Village Liaison. Project Management Services include:

- a) a summary level Implementation Plan including Acceptance Testing plans as described in Exhibit K; and
- b) a detail level Implementation Plan including Acceptance Testing plans as described in Exhibit K; and
- c) revised Implementation Plans (if required) including Acceptance Testing plans as described in Exhibit K; and
- d) monthly project status reports; and
- e) project status meetings
 - a project review (kickoff) meeting at Village's location within sixty (60) days from Effective Date unless mutually agreed upon by the Parties; and
 - progress status meeting(s) will occur during implementation via telephone conference or at Village's location; and
 - a project close-out meeting at Village's location to conclude the project; and
 - Coordination and scheduling of all New World staff resources to meet the objectives of the agreed upon Implementation Plan; and
 - Assist the Village in the determining the necessity of any optional Licensed Standard Software in Exhibit A and with the determination of modifications in Exhibit G.

The implementation services fees described in Exhibit AA include Project Management fees for a period up to 12 months after the Effective Date.

2. Implementation and Training Support Hours Recommended

It is recommended that appropriate support hours are allocated for all Licensed Standard Software listed in Exhibit A to insure successful implementation of and training on each application package. Based on the Licensed Standard Software listed on Exhibit A, up to **950** hours of New World implementation and training support services have been allocated for this project. Excess hours requested shall be billed at the Hourly Rate. Avoiding or minimizing custom or modified features will aid in keeping the support costs to the amount allocated and will not be exceeded unless mutually agreed upon by the Parties. Village agrees to reimburse New World for support trips canceled by Village less than ten (10) days before the scheduled start date to cover New World's out-of-pocket costs and lost revenues. The recommended implementation and training support services include:

- a) implementation of each package of Licensed Standard Software; and
- b) Village training and/or assistance in testing for each package of Licensed Standard Software.

The project management, implementation and training support services provided by New World may be performed at Village's premises and/or at New World national headquarters in Troy, Michigan (e.g., portions of project management are performed in Troy).

Exhibit B / PROJECT MANAGEMENT, IMPLEMENTATION AND TRAINING SUPPORT SERVICES

3. Interface Installation Service

New World shall provide interface installation services as described in this paragraph below. These services do not include hardware and/or third party product costs which shall be Village's responsibility, if required. Whenever possible, these services will be done remotely, resulting in savings in Travel Expenses and Time. If on-site installation and training is required, Village will be responsible for the actual Travel Expenses and Time. The services include the following interfaces.

- a) Bank Reconciliation
- b) AMR Interface

4. Hardware Quality Assurance Service

New World shall provide Hardware Systems Quality Assurance of Village's Logos.NET server(s). These services do not include hardware and/or third party product costs which shall be Village's responsibility, if required. Whenever possible, these services will be provided remotely, resulting in savings in Travel Expenses and Time. If on-site installation is required, Village will be responsible for the actual Travel Expenses and Time.

- a) Hardware Quality Assurance Services (Standard) Environment:
Hardware Systems Assurance and Software Installation:
 - Assist with High Level System Design/Layout
 - Validate Hardware Configuration and System Specifications
 - Validate Network Requirements, including Windows Domain
 - Physical Installation of New World Application Servers
 - Install Operating System and Apply Updates
 - Install SQL Server and Apply Updates
 - Install New World Applications Software and Apply Updates
 - Establish Base SQL Database Structure
 - Install Anti-Virus Software and Configure Exclusions
 - Install Automated Backup Software and Configure Backup Routines
 - Configure System for Electronic Village Support (i.e. NetMeeting)
 - Tune System Performance Including Operating System and SQL Resources
 - Test High Availability/Disaster Recovery Scenarios (if applicable)
 - Provide Basic System Administrator Training and Knowledge Transfer
 - Document Installation Process and System Configuration

5. Additional Services Available

Other New World services may be required or requested for the following:

- a) additional software training;
- b) tailoring of Licensed Standard Software by New World technical staff and/or consultation with New World technical staff;
- c) New World consultation with other vendors or third parties;
- d) modifying the Licensed Standard Software;
- e) designing and programming Licensed Custom Software; and
- f) maintaining modified Licensed Standard Software and/or custom software.

Village may request these additional services in writing using New World's Request For Service (RFS) procedure (or other appropriate procedures mutually agreed upon by Village and New World and will be provided at the Hourly Rate).

EXHIBIT C
STANDARD SOFTWARE MAINTENANCE AGREEMENT (SSMA)

This Standard Software Maintenance Agreement (SSMA) between **New World** and **Village** sets forth the standard software maintenance support services provided by **New World**.

1. SSMA Period

This SSMA shall remain in effect for a term of five (5) years (the SSMA term) beginning on the installation of Licensed Standard Software ("Start Date") and ending on the same calendar date at the conclusion of the SSMA term. **New World** shall provide **Village** no-charge SSMA for a period of 365 days from the Start Date.

2. Services Included

New World shall provide the following services during the SSMA term.

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

Items a, b, and c above will be distributed to **Village** by electronic means.

Additional support services are available as requested by **Village** at the Hourly Rate.

3. Maintenance for Modified Licensed Standard Software and Custom Software

Village is advised that if it requests or makes changes or modifications to the Licensed Standard Software, these changes or modifications (no matter who makes them) make the modified Licensed Standard Software more difficult to maintain. If **New World** agrees to provide maintenance support for Custom Software or Licensed Standard Software modified at **Village's** request, or for prior releases of **New World's** software, then the additional **New World** maintenance or support services provided shall be billed at the Hourly Rate.

4. Billing

Maintenance costs will be billed annually.

5. Additions of Software to Maintenance Agreement

Software maintenance support for Additional Licensed Standard Software shall be provided by **New World**, at no cost, during the first ninety (90) days after delivery. Additional Licensed Standard Software licensed from **New World** will be added to the SSMA ninety (90) days after delivery. Costs for the maintenance for the additional software will be billed to **Village** on a pro rata basis for the remainder of the maintenance year and on a full year basis thereafter.

Exhibit C / STANDARD SOFTWARE MAINTENANCE AGREEMENT

6. Requests for Software Correction on Licensed Standard Software

At any time during the SSMA term, if Village believes that the Licensed Standard Software does not conform to the warranties provided under this Agreement, Village must notify New World in writing that there is a claimed defect and specify which feature and/or report it believes to be defective. Before any notice is sent to New World, it must be reviewed and approved by the Village Liaison. Documented examples of the claimed defect must accompany each notice. New World will review the documented notice and when a feature or report does not conform to the warranties described in Section 4.0 of the Agreement. New World will provide software correction service at no charge. A non-warranty request is handled as a billable Request For Service (RFS) provided at the Hourly Rate.

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

- a) situations where the Licensed Standard Software has been changed by anyone other than New World personnel;
- b) situations where Village's use or operations error causes incorrect information or reports to be generated; and
- c) requests that go beyond the scope of the specifications set forth in Section 4.0 of the Agreement.

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

New World agrees to provide software maintenance at the costs listed below for the New World Licensed Standard Software packages described in Exhibit A.

Annual Maintenance Cost

Year 1	No charge
Year 2	\$93,000
Year 3	98,000
Year 4	103,000
Year 5	110,000

Subsequent Annual Maintenance Cost shall not exceed 5% over the prior year.

EXHIBIT D
NEW WORLD SYSTEMS CORPORATION
NON-DISCLOSURE AND SECURITY AGREEMENT FOR THIRD PARTIES

This Agreement, when accepted and executed by New World, grants the undersigned the permission to use and/or have limited access to certain New World Systems® Corporation (New World) proprietary and/or confidential information.

Installed At: Village of Lombard
Village Name

Located At: **255 E. Wilson Avenue**
Lombard, IL 60148

Authorized Signature of Village:

Name (Please Print or Type)	Title	Signature

In exchange for the permission to use or have access to New World proprietary and/or confidential information, including without limitation, New World software and/or documentation, the organization and individual whose names appear below, agree to the following:

1. No copies in any form will be made of New World proprietary or confidential information without the expressed written consent of New World's President, including without limitation, the following:
 - a) Program Libraries, whether source code or object code;
 - b) Operating Control Language;
 - c) Test or Sample Files;
 - d) Program Listings;
 - e) Record Layouts;
 - f) All written confidential or proprietary information originating from New World including without limitation, documentation, such as user manuals and/or system manuals; and/or
 - g) All New World Product Bulletins and/or other New World Product related materials.

2. New World software, New World documentation, or other proprietary or confidential information shall not be used for any purpose other than processing the records of the Village identified above as permitted in the Village's *Standard Software License and Services Agreement* with New World.

3. The undersigned agree(s) that this Agreement may be enforced by injunction in addition to any other appropriate remedies available to New World. If it is determined that the money damages caused by the undersigned's failure to comply with the foregoing terms are difficult to ascertain, they are hereby estimated at liquidated damages of no less than two times the then-current License Fees for the License Software provided to Village under the *Standard Software License and Service Agreement* between Village and New World.

Agreed and Accepted by Third Party (Organization)

Agreed and Accepted by Third Party (Individual)

Organization: _____

Individual: _____

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Accepted and Approved by New World Systems Corp.

By: _____

Title: _____

Date: _____

EXHIBIT E
DEMONSTRATION SITE DISCOUNT

New World has provided Village a significant discount in exchange for the privilege of using Village's site for demonstration purposes. Accordingly, after the Licensed Software has been delivered and installed, Village agrees to act as a demonstration site for prospective New World customers. Village also agrees to serve as a reference or remote demonstration site on the telephone for prospective New World customers. By agreeing to be a demonstration site, Village is not necessarily endorsing the New World software and Village will not actively participate in any type of marketing and advertising campaign for or on behalf of New World.

Demonstrations will be coordinated with the appropriate Village personnel and will be scheduled to minimize the interruption to Village's operations. New World will provide Village reasonable notice for preparation and will not exceed 36 calls/site visits per year unless mutually agreed to by the Parties.

EXHIBIT F
DATA FILE CONVERSION ASSISTANCE

New World will provide conversion assistance to Village to help convert the existing data files specified below. If additional files are identified after the contract execution, estimates will be provided to Village prior to New World beginning work on those newly identified files.

1. General

- a) This conversion effort includes data coming from one unique data source, not multiple sources.
- b) No data cleansing, consolidation of records, or editing of data will be part of the data conversion effort. Data cleansing, removal of duplicate records, and editing must take place by Village prior to providing the data to New World
- c) Should Customer decide not to proceed with Data File Conversion, it may apply the amounts paid under this Agreement to subsequent New World software or services purchases.

2. New World Responsibilities

- a) New World will provide Village with a conversion design document for signoff prior to beginning development work on the data conversion. No conversion programming by New World will commence until Village approves this document.
- b) New World will provide the data conversion programs to convert Villages data from a single data source to the New World Licensed Standard Software for the specified files that contain 500 or more records.
- c) As provided in the approved project plan for conversions, New World will schedule a conversion analysis trip and a separate data conversion testing trip to Village's location. The conversion testing trip for each application is a billable support trip, using standard Exhibit B hours, which is scheduled in conjunction with the delivery of the converted data to the Village.
- d) New World will provide the Village up to 3 test sets of the converted data. Additional test sets requested may/will require additional conversion costs.
- e) New World will provide the standard conversion record layouts to the Village and convert the available data elements defined in the standard conversion record layouts.
- f) Up to seven years of historic data will be converted by New World.

3. Village Responsibilities

- a) Village will provide data in standard conversion record layouts as provided by New World. Submitted data files must include an accurate count of records contained in the files.
- b) Data will be submitted to New World in one of the following formats: AS/400 files, Microsoft SQL Server database, Microsoft Access database, Microsoft Excel Spreadsheet, or an ASCII-format delimited text file. Data and databases will be transferred using the New World ftp site.
- c) Village understands that files or tables containing less than 500 records or table entries will not be converted.
- d) As provided in the project plan for conversions, Village will provide a dedicated resource in each application area to focus on conversion mapping and testing. This includes dedicating a support person(s) whenever New World staff is on site regarding conversions. Roughly a one to one commitment exists for Village commitment and New World commitment. Village understands that thorough and timely testing of the converted data by Village personnel is a key part of a successful data conversion.
- e) Village agrees to promptly review conversion deliveries and signoff on both the conversion design document and on the final conversion after the appropriate review. Applying the converted data to the production (Live) environment will constitute conversion acceptance by Village.
- f) If the Village cannot provide data in the format defined in New World's standard conversion record layouts then New World will map the data to New World's standard conversion record layout at the Hourly Rate. The Village must provide complete file and field definitions for New World to map the data.

Exhibit F / DATA FILE CONVERSION ASSISTANCE

4. Files to be converted

Up to 3 files from the following possible sources are included.

Utility

-Utility Information

Community Development

-Permit/Inspection History

-Code Enforcement Violation

EXHIBIT G
VILLAGE REQUESTED STANDARD SOFTWARE ENHANCEMENTS / MODIFICATIONS AND / OR
CUSTOM SOFTWARE

1. Definition of Project

New World will provide the Village requested Standard Software Enhancements and/or Custom Software as discussed below to address the Village's requirements. Village agrees to cooperate in not making modifications and enhancements too extensive as defined in the 2(b)(1) procedure below.

An analysis and assessment to verify the scope of effort for the project will be conducted. A revised estimate for the modifications/interfaces may be provided at the conclusion of the assessment. Village may elect to cancel or proceed with the modifications/interfaces based on the revised estimate.

Capabilities included in the initial scope:

- a) Custom Software/Interfaces
 - (1) Ability to import merchant transactions to Utility Billing, AR, and GL systems related to automatic credit card payment services
 - (2) CFA Fleet Management into Asset Management System
 - (3) Generic GL and Cash interfaces for uploads and wire transfers
 - (4) Ability to import/export data from Payroll module and bank to accommodate positive pay and direct deposit
 - (5) Ability to export and format Payroll data for Illinois Municipal Retirement Fund (IMRF) in format prescribed by IMRF.
 - (6) GTG, GEO Blade Integration
 - (7) Utility Bill Export to Third Millennium - A one-way user initiated batch process to export Utility account bill information from New World's cycle bill and exception bill processing to a third party system.

With New World providing consultation, Village is responsible for obtaining technical contacts and/or technical specifications from the third parties involved above.

2. Methodology to Provide Enhancements and/or Custom Software

a) Definition of New World's Responsibility

This project includes the following activities to be performed by New World.

- (1) Review of required features with Village. Only items identified in Paragraph 1 above will be provided in this implementation plan.
- (2) Preparation of Requirements Document (RD) to include:
 - Detailed description of the required feature
 - menu samples
 - screen samples
 - report samples
- (3) Programming and programming test.

Exhibit G / VILLAGE REQUESTED STANDARD SOFTWARE ENHANCEMENTS / MODIFICATIONS AND / OR CUSTOM SOFTWARE

- (4) On-site training, testing and/or other support services at the Hourly Rate.

For modification requiring over fifty (50) hours of work, **New World** utilizes a design document procedure [see 2(b)(1) below]. For smaller modifications, **New World** uses a Request For Service (RFS) procedure. Both procedures are reviewed with **Village** at a pre-installation planning meeting. The RFS procedure utilizes a form with a narrative description and supporting documentation if applicable to define the work to be done.

b) Implementation Schedule

<u>Activity</u>	<u>Targeted Time Period</u>
(1) Complete Design Review with Village Staff. Village agrees to be reasonable and flexible in not attempting to design the modifications to be more extensive than called for in the scope (cost and schedule) of this project.	To be determined
(2) New World submits completed RD to Village .	To be determined
(3) RD is accepted and signed off by Village (no programming will be done by New World until the formal sign-off and Village's authorization to proceed in writing).	To be determined
(4) New World completes programming from RD and provides modified software to Village .	To be determined
(5) Software Modification Acceptance Test based on RD.	To be determined

c) Village's Responsibility

All **Village**-requested changes after RD sign-off must be documented by **Village** and authorized in writing including potential costs, if any. Additional changes will most likely delay the schedule and may increase the cost.

EXHIBIT H
BUDGET ESTABLISHED FOR VILLAGE REQUESTED
STANDARD SOFTWARE ENHANCEMENTS / MODIFICATIONS AND / OR CUSTOM SOFTWARE

1. Establish a Budget for Software Enhancements and/or Custom Software

As described in Exhibit AA, Village has allocated a budget of **\$15,000** to provide Village specific Standard Software Enhancements, Modifications, or Custom Software. Village may elect to proceed by providing New World with a written Notice to Proceed. Upon receipt of a Notice to Proceed, New World shall invoice Village for 60% of the associated costs, which Village agrees to pay in accordance with the Illinois Governmental Prompt Payment Act. The remaining 40% shall be invoiced upon installation of the item requested, which Village agrees to pay.

2. Notice to Proceed

After receiving a written Notice to Proceed by Village, New World will provide Village the requested Standard Software Enhancements and/or Custom Software as specified in the Notice and/or as further discussed below. Village agrees to cooperate in not making modifications and enhancements too extensive as defined in the 3(b)(1) procedure below.

An analysis and assessment ("Assessment") to confirm the scope of effort for the specified work will be conducted prior to beginning actual programming work on Village's required enhancement(s). If the Assessment exceeds the budget in this Exhibit, at Village's request, New World will provide a revised estimate for the modifications/interfaces. Within thirty (30) days of receipt of New World's revised estimate, Village shall notify New World whether it will proceed with the modifications/interfaces based on the revised estimate by providing New World a new Notice to Proceed.

3. Methodology to Provide Enhancements and/or Custom Software

a) **Definition of New World's Responsibility**

This project includes the following activities to be performed by New World.

- (1) Review of required features with Village. Only items identified in the Assessment above will be provided in this implementation plan.
- (2) Preparation of Requirements Document (RD) to include a detailed description of the required feature.
- (3) Programming and programming test.
- (4) On-site training, testing and/or other support services using Exhibit B rates and fees.

Exhibit H / BUDGET ESTABLISHED FOR VILLAGE REQUESTED STANDARD SOFTWARE ENHANCEMENTS / MODIFICATIONS AND / OR CUSTOM SOFTWARE

b) Implementation Schedule

<u>Activity</u>	<u>Targeted Time Period</u>
(1) Complete Design Review with Village Staff. Village agrees to be reasonable and flexible in not attempting to design the modifications to be more extensive than called for in the scope (cost and schedule) of this project.	To be determined
(2) New World submits completed RD to Village.	To be determined
(3) RD is accepted and signed off by Village (no programming will be done by New World until the formal sign-off and Village's authorization to proceed in writing).	To be determined
(4) New World completes programming from RD and provides modified software to Village.	To be determined
(5) Software Modification Acceptance Test based on RD.	To be determined

c) Village's Responsibility

All Village-requested changes after RD sign-off must be documented by Village and authorized in writing including potential costs, if any. Additional changes will most likely delay the schedule and may increase the cost.

EXHIBIT I
DEVELOPMENT SOFTWARE

The following Development Software modules, when developed, will be delivered to Village as Licensed Standard Software:

COMMUNITY DEVELOPMENT SUITE

1. Logos.NET Community Development Software
 - Special Assessments (development)

eSUITE

2. eHR
 - eTraining (development)

Implementation, training, support services, and SSMA costs for the Development Software modules are not included in this Agreement. SSMA costs will be added to Village's current SSMA fees as described in Exhibit C to this Agreement. Implementation, training, and support services associated with the Development Software will be provided at the Hourly Rate.

Payment terms for the Development Software are described in Exhibit AA.

EXHIBIT J
INCORPORATION BY REFERENCE OF NEW WORLD'S RESPONSE TO VILLAGE'S RFQ
SOFTWARE SPECIFICATIONS

All items coded "Compliant" (as qualified through explanation or "Modification/Custom") in the **New World** Response to **Village's** RFQ Questionnaire will be provided to **Village** through currently existing Exhibit A software capabilities, **Village's** use of 3rd Party software, custom programming provided by **New World** and/or future enhancements to Exhibit A software provided under Exhibit C. Items that are qualified, or coded as requiring modification, may be provided using Exhibit B support services hours at the then current hourly rates.

If the terms and conditions of the **New World's** Response to RFQ and this **Agreement** are in conflict, the governing terms and conditions shall be this **Agreement**.

If **Village** has not licensed the software on Exhibit A to meet a software specification, then that specification shall not apply in any acceptance test and/or to fulfill the above criteria.

For purposes of this **Agreement**, **Village's** "Request for Qualifications – Enterprise Resource Planning System, Sent September 13, 2010" (the "RFQ"), and **New World's** Response to "Request for Qualifications – Enterprise Resource Planning System, Dated October 1, 2010" (the "Response to RFQ") are incorporated in this **Agreement**, as Appendix 1 and 2 respectively.

EXHIBIT K
ACCEPTANCE TESTING

Each application of Licensed Software shall be deemed to have been accepted upon the successful completion of either Criteria 1 or Criteria 2 (listed below) whichever occurs first. Acceptance Testing is successful under either Criteria 1 or Criteria 2 unless the Licensed Software application contains a warranty defect which substantially impairs the value and Village's use of the Licensed Software. Any claimed defects must be documented in writing as set forth in Exhibit C.

Criteria 1:

Using Exhibit B support service hours, New World shall assist Village in conducting the following software Acceptance Test.

Following published specifications using established procedures and controls, the test criteria includes:

1. the successful entering and editing of a representative sample of transactions;
2. the successful processing of a representative sample of file maintenance transactions for the master file transactions; and
3. the successful generation of standard output reports.

Testing under Criteria 1 may be completed before Village has gone "live" on the application. If Criteria 1 is used, Village agrees to provide the requisite resources to timely complete the Acceptance Test procedure. If Village unreasonably delays the start of the Criteria 1 test procedure for more than fourteen (14) calendar days beyond the designated test date, then successful software acceptance shall be deemed to have occurred for that application of Licensed Software on the fifteenth (15th) day after the designated test date.

Criteria 2:

Successful acceptance of each application of Licensed Software delivered shall be deemed to have occurred at the time Village begins using the application of Licensed Software to produce data or output which is distributed for actual use and/or otherwise used as "live data".

APPENDIX 1
REQUEST FOR QUALIFICATIONS –
ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM
SENT SEPTEMBER 13, 2010

Placeholder for ERP System Document sent 9/13/10

APPENDIX 2
NEW WORLD'S RESPONSE TO REQUEST FOR QUALIFICATIONS –
ENTERPRISE RESOURCE PLANNING (ERP) SYSTEM
DATED OCTOBER 1, 2010

Placeholder for ERP System Document dated 10/1/10



April 26, 2011

ADDITIONAL SOFTWARE LICENSE AGREEMENT

Mr. William J. Mueller
Village President
Village of Lombard
255 E. Wilson
Lombard IL 60148

Dear Mr. Mueller:

New World Systems is pleased to license you additional software per your request.

The attached forms (Exhibits AA, A, B, C, D, E, F, G and Appendix 1) are to be reviewed and approved by you and/or your authorized representative. They describe the additional software and services you have requested along with the related fees.

Other than for the purposes of internal review, we ask that you treat our fees as confidential information. This is due to the competitive nature of our business.

The Standard Software License and Services Agreement (Logos Agreement), dated April 26, 2011, is incorporated and will apply to the extent applicable.

We thank you for your continued business with New World Systems. We look forward to working on this project with you.

ACKNOWLEDGED AND AGREED TO BY:

NEW WORLD SYSTEMS® CORPORATION
(New World)

VILLAGE OF LOMBARD, IL
(Village)

By: _____
Larry D. Leinweber, President

By: _____
Authorized Signature Title

By: _____
Authorized Signature Title

Date: _____

Date: _____

Each individual signing above represents that (s)he has the requisite authority to execute this Agreement on behalf of the organization for which (s)he represents and that all the necessary formalities have been met.

The "Effective Date" of this Agreement is the latter of the two dates in the above signature block.

PRICING ASSUMES CONTRACT EXECUTION BY MAY 17, 2011.

EXHIBIT AA
TOTAL COST SUMMARY AND PAYMENT SCHEDULE

I. Total cost Summary: Licensed Standard Software, Implementation Services and Third Party Products

<u>DESCRIPTION OF COST</u>	<u>COST</u>
A. LICENSED STANDARD SOFTWARE as further detailed in Exhibit A	\$363,700
1. Licensed Standard Software	\$515,000
2. Less Demonstration Site Discount	(151,300)
B. IMPLEMENTATION SERVICES	177,000
1. PROJECT MANAGEMENT as further described in Exhibit B	
2. INTERFACE INSTALLATION SERVICES as further described in Exhibit B	
3. IMPLEMENTATION AND TRAINING SERVICES as further described in Exhibit B	
4. OTHER IMPLEMENTATION SERVICES as further described in Exhibit B	
5. CUSTOM SOFTWARE/MODIFICATION SERVICES as further described in Exhibit G	
C. THIRD PARTY PRODUCTS AND SERVICES	59,250
1. THIRD PARTY PRODUCTS AND SERVICES as further described in Appendix I	
ONE TIME PROJECT COST:	
	<u>\$599,950</u>
D. OPTIONAL PERFORMANCE BOND	6,900
In those situations where Village requests New World to provide a Performance Bond, New World will provide a Performance Bond for the one-time project cost listed on Exhibit AA at Village's expense. The cost of the bond will be billed to Village and Village agrees to pay promptly for the Performance Bond when invoiced.	
E. TRAVEL EXPENSES (Estimate) – billed as incurred	\$18,000
F. STANDARD SOFTWARE MAINTENANCE SERVICES – the services are further detailed in Exhibit C.	

PRICING ASSUMES CONTRACT EXECUTION BY MAY 17, 2011.

Exhibit AA / COST SUMMARY AND PAYMENT SCHEDULE

II. Payments for Licensed Standard Software, Implementation Services, and Third Party Products

<u>DESCRIPTION OF PAYMENT</u>	<u>PAYMENT</u>
A. LICENSED STANDARD SOFTWARE as further detailed in Exhibit A	\$363,700
1. Amount invoiced upon Effective Date (50%)	\$181,850
2. Amount invoiced upon delivery of Licensed Standard Software (50%)	181,850
B. IMPLEMENTATION SERVICES	177,000
1. Amount invoiced upon the Effective Date	\$39,825
2. Amount invoiced 90 days after the Effective Date	39,825
3. Amount invoiced 180 days after the Effective Date	39,825
4. Amount invoiced 270 days after the Effective Date	39,825
5. Amount invoiced upon project completion or 365 days after the Effective Date, whichever comes first	17,700
C. THIRD PARTY PRODUCTS AND SERVICES	59,250
1. Amount invoiced upon the Effective Date (50%)	\$29,625
2. Amount invoiced upon Delivery of Third Party Products and Services (50%)	29,625
ONE TIME PAYMENTS:	<u>\$599,950</u>
D. OPTIONAL PERFORMANCE BOND	\$6,900
1. Performance Bond – invoiced upon Request from Village	\$6,900
E. TRAVEL EXPENSES (Estimate) (These expenses are billed as incurred)	\$18,000*
1. 15 trips are anticipated.	
2. Travel Time for the estimated 15 trips is not included in this estimate and will be billed as incurred.	

*Estimate

Exhibit AA / COST SUMMARY AND PAYMENT SCHEDULE

F. STANDARD SOFTWARE MAINTENANCE SERVICES – as further detailed in Exhibit C

**ALL PAYMENTS ARE DUE IN ACCORDANCE WITH
THE ILLINOIS GOVERNMENTAL PROMPT PAYMENT ACT.**

Billings are applied ratably to each deliverable included under the total one-time cost.

EXHIBIT A
LICENSED STANDARD SOFTWARE AND FEES

License Fee for Licensed Standard Software And Documentation Selected By Village:

Application Package

Cost

LAW ENFORCEMENT RECORDS

1. **Aegis/MSP Multi-Jurisdictional Base Law Enforcement Records**
 - Accidents
 - Arrest
 - Business Registry
 - Case Processing
 - Computer Aided Investigations
 - Federal Reports (UCR/IBR)
 - GIS/Geo-File Verification
 - Impounded Vehicles
 - Incident Tracking
 - Jacket Processing
 - Personnel/Education
 - Property
 - Traffic Tickets and Citations
 - Wants and Warrants

2. **Aegis/MSP Federal and State Compliance Reporting for LE Records**
 - Federal UCR/IBR⁵
 - State Accidents⁶

3. **Additional Aegis/MSP Software for Law Enforcement Records**
 - Bookings
 - Case Management
 - Data Analysis/Crime Mapping/Management Reporting⁷
 - Field Investigations
 - Gang Tracking

4. **Aegis/MSP Third Party LE Records Interface Software** ⁸
 - Livescan Interface
Supports Identix, CrossMatch, Printrak, Sagem Morpho, Cogent
 - Ticket Writer Interface
Supports APS

Exhibit A / LICENSED STANDARD SOFTWARE AND FEES

- Aegis/MSP State/NCIC Interface⁹
Includes 12 - 15 screens

- On-Line Modules - Includes 4 state inquiry screens⁹
- On-Line Global Subjects Interface to State/NCIC

5. Aegis/MSP Imaging Software

- Public Safety Lineups/Mug Shots¹⁰
- Digital Imaging/Electronic Signature Capture

MOBILE SOFTWARE

MOBILE SOFTWARE ON THE RS/6000¹¹

- 6. Base Message Switch to State/NCIC (51-100 units)**
 - Base Message Switch for MDT/MCT
 - State/NCIC Interface
- 7. Additional Aegis® Software for RS/6000 Message Switch**
 - Non-New World CAD Interface (51-100 units)¹²
 - Mobile Upload Software (51-100 units)

MOBILE SOFTWARE ON THE MSP Server

- 8. Aegis® Mobile Integration Software**
 - MDT/MCT Base CAD/RMS Interface (51-100 units)

MOBILE MANAGEMENT SERVER

- 9. Aegis/MSP Mobile Management Server Software (51-100 units)**
 - Base CAD/NCIC/Messaging
 - Field Reporting
 - Field Reporting Data Merge

CLIENT SOFTWARE

- 10. Aegis® Law Enforcement Mobile Unit Software (40 Units)**
 - Mobile Messaging**
 - LE State/NCIC via Switch⁹
 - LE CAD via Switch
 - In-Car Mapping

Field-Based Reporting (40 Units)

LE Field Reporting (Federal Standards)

The following 4 New World Reports are included:

- Incident (1 form)
- Case (1 form)
- Arrest (1 form)
- Supplement (1 form)

LE Field Reporting Compliance

LE Accident Field Reporting

The following New World Report is included:

- Accident (1 form)

LE Accident Field Reporting Compliance

Mobile Upload of Field Reports

MCT Ticket Writer Interface

11. In-Station -Based Reporting (60 Units)

LE Field Reporting (Federal Standards)

The following 4 New World Reports are included:

- Incident (1 form)
- Case (1 form)
- Arrest (1 form)
- Supplement (1 form)

LE Field Reporting Compliance

LE Accident Field Reporting

The following New World Report is included:

- Accident (1 form)

LE Accident Field Reporting Compliance

Mobile Upload of Field Reports

MCT Ticket Writer Interface

12. Workstation License

NEW WORLD STANDARD SOFTWARE LICENSE FEE	\$515,000
LESS PRIOR SOFTWARE PURCHASE DISCOUNT	(151,300)
TOTAL SOFTWARE LICENSE FEE ¹³	<u>\$363,700</u>

Note: Other than for Mobile Software, a Workstation License for up to 100 Law Enforcement Records users is included for the Exhibit A Licensed Standard Software. The Workstation License includes the following agencies as authorized users:

- Lombard Police Department, IL
- Village of Lombard, IL

Exhibit A / LICENSED STANDARD SOFTWARE AND FEES

ENDNOTES

- ¹ *Personal Computers must meet the minimum hardware requirements for New World Systems' MSP product. Microsoft Windows XP or later is required for all client machines. Windows 2003/2008 Server and SQL Server 2005/2008 are required for the Application and Database Server(s).*
- ² *New World Systems' MSP product requires Microsoft Windows 2003/2008 Server and SQL Server 2005/2008 including required Client Access Licenses (CALs) for applicable Microsoft products. Servers must meet minimum hardware requirements provided by New World Systems.*
- ³ *New World Systems' MSP product requires Microsoft Excel or Windows Search 4.0 for document searching functionality; Microsoft Word is required on the application server for report formatting.*
- ⁴ *New World recommends a 100/1000MB (GB) Ethernet network for the local area network. Wide area network requirements vary based on system configuration, New World will provide further consultation for this environment.*
- ⁵ *Federal UCR/IBR includes edits, reports and electronic submission.*
- ⁶ *State Accidents includes logic, reports and electronic submission.*
- ⁷ *Application requires a separate Server.*
- ⁸ *Does not include any required 3rd party hardware or software unless specified in Appendix 1 of this Agreement. Village is responsible for any 3rd party support.*
- ⁹ *Village is responsible for obtaining the necessary State approval and any non-New World hardware and software.*
- ¹⁰ *Camera must meet product specifications and be procured through New World.*
- ¹¹ *Currently supporting Motorola, Data Radio (DMP & IP), CDPD, EDACS, CDMA, GPRS, 802.11 and Electrocom Mobile Communication solutions only.*
- ¹² *New World provides standard APIs. Village's CAD Vendors will be required to sign a New World Non-Disclosure Agreement.*
- ¹³ *Prices assume that all software is licensed.*

EXHIBIT B
PROJECT MANAGEMENT, IMPLEMENTATION AND
TRAINING SUPPORT SERVICES

1. Project Management Services

New World shall act as Project Manager to assist Village's management in implementing the Exhibit A software. This responsibility will include documenting, coordinating and managing the overall Implementation Plan with Village's management and the Village Liaison. Project Management Services include:

- a) a summary level Implementation Plan including Acceptance Testing plans as described in Exhibit K of the Logos Agreement; and
- b) a detail level Implementation Plan including Acceptance Testing plans as described in Exhibit K of the Logos Agreement; and
- c) revised Implementation Plans (if required) including Acceptance Testing plans as described in Exhibit K of the Logos Agreement; and
- d) monthly project status reports; and
- e) project status meetings
 - a project review (kickoff) meeting at Village's location within sixty (60) days from Effective Date unless mutually agreed upon by the Parties; and
 - progress status meeting(s) will occur during implementation via telephone conference or at Village's location; and
 - a project close-out meeting at Village's location to conclude the project; and
 - Coordination and scheduling of all New World staff resources to meet the objectives of the agreed upon Implementation Plan; and
 - Assist the Village in the determining the necessity of any optional Licensed Standard Software in Exhibit A and with the determination of modifications in Exhibit G.
- f) New World consultation with other vendors or third parties.

The implementation services fees described in Exhibit AA include Project Management fees for a period up to 12 months after the Effective Date.

2. Implementation and Training Support Hours Recommended

It is recommended that appropriate support hours are allocated for all Licensed Standard Software listed in Exhibit A to insure successful implementation of and training on each application package. Based on the Licensed Standard Software listed on Exhibit A, up to **430** hours of New World implementation and training support services have been allocated for this project. Excess hours requested shall be billed at the Hourly Rate. Avoiding or minimizing custom or modified features will aid in keeping the support costs to the amount allocated and will not be exceeded unless mutually agreed upon by the Parties. Village agrees to reimburse New World for support trips canceled by Village less than ten (10) days before the scheduled start date to cover New World's out-of-pocket costs and lost revenues. The recommended implementation and training support services include:

- a) implementation of each package of Licensed Standard Software;
- b) Village training and/or assistance in testing for each package of Licensed Standard Software; and
- c) tailoring of Licensed Standard Software by New World technical staff and/or consultation with New World technical staff.

The project management, implementation and training support services provided by New World may be performed at Village's premises and/or at New World national headquarters in Troy, Michigan (e.g., portions of project management are performed in Troy).

Exhibit B / PROJECT MANAGEMENT, IMPLEMENTATION AND TRAINING SUPPORT SERVICES

3. Interface Installation Service

New World shall provide interface installation services as described in this paragraph below. These services do not include hardware and/or third party product costs which shall be Village's responsibility, if required. Whenever possible, these services will be done remotely, resulting in savings in Travel Expenses and Time. If on-site installation and training is required, Village will be responsible for the actual Travel Expenses and Time. The services include the following interfaces.

- a) Operating System Assurance
- b) Message Switch Installation Support
- c) Ticket Writer Interface
- d) State/NCIC
- e) On-Line Global Subjects Interface to State/NCIC
- f) Livescan Interface
- g) New World Mug Shots/Imaging
- h) Geo-File Implementation

New World's GIS implementation services are to assist the Village in preparing the New World required GIS data for use with the Licensed Aegis Software. Depending upon the Licensed Software the Village at a minimum will be required to provide an accurate street centerline layer and the appropriate polygon layers needed for Unit Recommendations and Run Cards in an industry standard ESRI file format (Personal Geodatabase, File Geodatabase, Shape Files). Village is responsible for having clearly defined boundaries for Police Beats, EMS Districts and Fire Quadrants. If necessary New World will assist Village in creating the necessary polygon layers (Police Beats, EMS Districts and Fire Quadrants) for Unit Recommendations and Run Cards. New World is not responsible for the accuracy of or any ongoing maintenance of the GIS data used within the Licensed Aegis Software.

4. Hardware Quality Assurance Service

New World shall provide Hardware Systems Assurance of Village's Aegis/MSP server(s). These services do not include hardware and/or third party product costs which shall be Village's responsibility, if required. Whenever possible, these services will be provided remotely, resulting in savings in travel expenses and time. If on-site installation is required, Village will be responsible for the actual travel expenses and time.

- a) Hardware Quality Assurance Services (Standard) Environment:
Hardware Systems Assurance and Software Installation::
 - Assist with High Level System Design/Layout
 - Validate Hardware Configuration and System Specifications
 - Validate Network Requirements, including Windows Domain
 - Physical Installation of New World Application Servers
 - Install Operating System and Apply Updates
 - Install SQL Server and Apply Updates
 - Install New World Applications Software and Apply Updates
 - Establish Base SQL Database Structure
 - Install Anti-Virus Software and Configure Exclusions
 - Install Automated Backup Software and Configure Backup Routines
 - Configure System for Electronic Customer Support (i.e. NetMeeting)
 - Tune System Performance Including Operating System and SQL Resources
 - Test High Availability/Disaster Recovery Scenarios (if applicable)
 - Provide Basic System Administrator Training and Knowledge Transfer
 - Document Installation Process and System Configuration

Exhibit B / PROJECT MANAGEMENT, IMPLEMENTATION AND TRAINING SUPPORT SERVICES

5. Message Switch Operating System Assurance Service

New World shall provide Message Switch Operating System Assurance. These services do not include hardware and/or third party product costs which shall be Village's responsibility, if required. Whenever possible, these services will be provided remotely, resulting in savings in travel expenses and time. If on-site installation is required, Village will be responsible for the actual travel expenses and time.

- a) Message Switch Operating System Assurance Services:
 - Operating System Assurance and Software Installation Services:
 - Unpack and assemble hardware
 - Verify core hardware functionality (network/video/storage devices/usb)
 - Install and update AIX Operating System
 - Install and update applicable system manual pages
 - Set AIX environment variables
 - Build system user-ids and applicable authorizations
 - Install and stage message handler and compilers
 - Verify and allocate disk space
 - Mirror hard drives and boot sequencing
 - Install customer-specific communication processes
 - Compile New World Message Switch programs
 - Install base Message Switch data tables
 - Install automated process restart script
 - Install full system backup processes
 - Install system support scripts
 - Install state specific programs and scripts
 - Install state specific data tables
 - Assure Message Switch operation
 - Disassemble, package, and ship to Village

6. Additional Services Available

Other New World services may be required or requested for the following:

- a) additional software training;
- b) tailoring of Licensed Standard Software by New World technical staff and/or consultation with New World technical staff;
- c) New World consultation with other vendors or third parties;
- d) modifying the Licensed Standard Software;
- e) designing and programming Licensed Custom Software; and
- f) maintaining modified Licensed Standard Software and/or custom software.

Village may request these additional services in writing using New World's Request For Service (RFS) procedure (or other appropriate procedures mutually agreed upon by Village and New World and will be provided at the Hourly Rate).

EXHIBIT C
STANDARD SOFTWARE MAINTENANCE AGREEMENT (SSMA)

This Standard Software Maintenance Agreement (SSMA) between **New World** and **Village** sets forth the standard software maintenance support services provided by **New World**.

1. SSMA Period

This SSMA shall remain in effect for a term of five (5) years (the SSMA term) beginning on the installation of Licensed Standard Software ("Start Date") and ending on the same calendar date at the conclusion of the SSMA term. **New World** shall provide **Village** no-charge SSMA for a period of 365 days from the Start Date.

2. Services Included

New World shall provide the following services during the SSMA term.

- a) upgrades, including new releases, to the Licensed Standard Software (prior releases of Licensed Standard Software application packages are supported no longer than nine (9) months after a new release is announced by **New World**);
- b) temporary fixes to Licensed Standard Software (see paragraph 6 below);
- c) revisions to Licensed Documentation;
- d) reasonable telephone support for Licensed Standard Software on Monday through Friday from 8:00 a.m. to 8:00 p.m. (Eastern Time Zone); and
- e) invitation to and participation in user group meetings.
- f) Includes integration of the embedded software that is a component of the Exhibit A Licensed Standard Software.

Items a, b, and c above will be distributed to **Village** by electronic means.

Additional support services are available as requested by **Village** at the Hourly Rate.

3. Maintenance for Modified Licensed Standard Software and Custom Software

Village is advised that if it requests or makes changes or modifications to the Licensed Standard Software, these changes or modifications (no matter who makes them) make the modified Licensed Standard Software more difficult to maintain. If **New World** agrees to provide maintenance support for Custom Software or Licensed Standard Software modified at **Village's** request, or for prior releases of **New World's** software, then the additional **New World** maintenance or support services provided shall be billed at the Hourly Rate.

4. Billing

Maintenance costs will be billed annually.

5. Additions of Software to Maintenance Agreement

Software maintenance support for Additional Licensed Standard Software shall be provided by **New World**, at no cost, during the first ninety (90) days after delivery. Additional Licensed Standard Software licensed from **New World** will be added to the SSMA ninety (90) days after delivery. Costs for the maintenance for the additional software will be billed to **Village** on a pro rata basis for the remainder of the maintenance year and on a full year basis thereafter.

Exhibit C / STANDARD SOFTWARE MAINTENANCE AGREEMENT

6. Requests for Software Correction on Licensed Standard Software

At any time during the SSMA term, if Village believes that the Licensed Standard Software does not conform to the warranties provided under this Agreement, Village must notify New World in writing that there is a claimed defect and specify which feature and/or report it believes to be defective. Before any notice is sent to New World, it must be reviewed and approved by the Village Liaison. Documented examples of the claimed defect must accompany each notice. New World will review the documented notice and when a feature or report does not conform to the warranties described in Section 4.0 of the Agreement. New World will provide software correction service at no charge. A non-warranty request is handled as a billable Request For Service (RFS) provided at the Hourly Rate.

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

- a) situations where the Licensed Standard Software has been changed by anyone other than New World personnel;
- b) situations where Village's use or operations error causes incorrect information or reports to be generated; and
- c) requests that go beyond the scope of the specifications set forth in Section 4.0 of the Agreement.

7. Maintenance Costs for Licensed Standard Software Packages Covered for MSP Servers

New World agrees to provide software maintenance at the costs listed below for the New World Licensed Standard Software packages described in Exhibit A.

Annual Maintenance Cost

Year 1	No charge
Year 2	\$95,000
Year 3	95,000
Year 4	95,000
Year 5	95,000

Subsequent Annual Maintenance Cost shall not exceed 5% over the prior year.

EXHIBIT D
NEW WORLD SYSTEMS CORPORATION
NON-DISCLOSURE AND SECURITY AGREEMENT FOR THIRD PARTIES

This Agreement, when accepted and executed by New World, grants the undersigned the permission to use and/or have limited access to certain New World Systems® Corporation (New World) proprietary and/or confidential information.

Installed At: Village of Lombard
Village Name

Located At: **235-255 E. Wilson**
Lombard, IL 60148

Authorized Signature of Village:

Name (Please Print or Type)	Title	Signature

In exchange for the permission to use or have access to New World proprietary and/or confidential information, including without limitation, New World software and/or documentation, the organization and individual whose names appear below, agree to the following:

1. No copies in any form will be made of New World proprietary or confidential information without the expressed written consent of New World's President, including without limitation, the following:
 - a) Program Libraries, whether source code or object code;
 - b) Operating Control Language;
 - c) Test or Sample Files;
 - d) Program Listings;
 - e) Record Layouts;
 - f) All written confidential or proprietary information originating from New World including without limitation, documentation, such as user manuals and/or system manuals; and/or
 - g) All New World Product Bulletins and/or other New World Product related materials.

2. New World software, New World documentation, or other proprietary or confidential information shall not be used for any purpose other than processing the records of the Village identified above as permitted in the Village's *Standard Software License and Services Agreement* with New World.

3. The undersigned agree(s) that this Agreement may be enforced by injunction in addition to any other appropriate remedies available to New World. If it is determined that the money damages caused by the undersigned's failure to comply with the foregoing terms are difficult to ascertain, they are hereby estimated at liquidated damages of no less than two times the then-current License Fees for the License Software provided to Village under the *Standard Software License and Service Agreement* between Village and New World.

Agreed and Accepted by Third Party (Organization)

Agreed and Accepted by Third Party (Individual)

Organization: _____

Individual: _____

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Accepted and Approved by New World Systems Corp.

By: _____

Title: _____

Date: _____

EXHIBIT E
DEMONSTRATION SITE DISCOUNT

New World has provided **Village** a significant discount in exchange for the privilege of using **Village's** site for demonstration purposes. Accordingly, after the Licensed Software has been delivered and installed, **Village** agrees to act as a demonstration site for prospective **New World** customers. **Village** also agrees to serve as a reference or remote demonstration site on the telephone for prospective **New World** customers. By agreeing to be a demonstration site, **Village** is not necessarily endorsing the **New World** software and **Village** will not actively participate in any type of marketing and advertising campaign for or on behalf of **New World**.

Demonstrations will be coordinated with the appropriate **Village** personnel and will be scheduled to minimize the interruption to **Village's** operations. **New World** will provide **Village** reasonable notice for preparation and will not exceed 36 calls/site visits per year unless mutually agreed to by the Parties.

EXHIBIT F
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EXHIBIT G
VILLAGE REQUESTED STANDARD SOFTWARE ENHANCEMENTS / MODIFICATIONS AND / OR
CUSTOM SOFTWARE

1. Definition of Project

New World will provide the Village requested Standard Software Enhancements and/or Custom Software as discussed below to address the Village's requirements. Village agrees to cooperate in not making modifications and enhancements too extensive as defined in the 2(b)(1) procedure below.

An analysis and assessment to verify the scope of effort for the project will be conducted. A revised estimate for the modifications/interfaces may be provided at the conclusion of the assessment. Village may elect to cancel or proceed with the modifications/interfaces based on the revised estimate.

Capabilities included in the initial scope:

- a) Custom Software/Interfaces
With New World providing consultation, Village is responsible for obtaining technical contacts and/or technical specifications from the third parties involved.
 - (1) New World Message Switch to Printrak CAD:
New World will provide a two-way interface for Printrak CAD and the New World message switch. This interface will provide mobile logon to CAD, CAR to CAD messaging, and unit status changes. This interface will also support inquiries for active and pending calls, unit and incident history and CAD dispatch messages.

2. Methodology to Provide Enhancements and/or Custom Software

a) Definition of New World's Responsibility

This project includes the following activities to be performed by New World.

- (1) Review of required features with Village. Only items identified in Paragraph 1 above will be provided in this implementation plan.
- (2) Preparation of Requirements Document (RD) to include:
 - Detailed description of the required feature
 - menu samples
 - screen samples
 - report samples
- (3) Programming and programming test.

Exhibit G / VILLAGE REQUESTED STANDARD SOFTWARE ENHANCEMENTS / MODIFICATIONS AND / OR CUSTOM SOFTWARE

- (4) On-site training, testing and/or other support services at the Hourly Rate.

For modification requiring over fifty (50) hours of work, **New World** utilizes a design document procedure [see 2(b)(1) below]. For smaller modifications, **New World** uses a Request For Service (RFS) procedure. Both procedures are reviewed with **Village** at a pre-installation planning meeting. The RFS procedure utilizes a form with a narrative description and supporting documentation if applicable to define the work to be done.

b) Implementation Schedule

<u>Activity</u>	<u>Targeted Time Period</u>
(1) Complete Design Review with Village Staff. Village agrees to be reasonable and flexible in not attempting to design the modifications to be more extensive than called for in the scope (cost and schedule) of this project.	To be determined
(2) New World submits completed RD to Village .	To be determined
(3) RD is accepted and signed off by Village (no programming will be done by New World until the formal sign-off and Village's authorization to proceed in writing).	To be determined
(4) New World completes programming from RD and provides modified software to Village .	To be determined
(5) Software Modification Acceptance Test based on RD.	To be determined

c) Village's Responsibility

All **Village** requested changes after RD sign-off must be documented by **Village** and authorized in writing including potential costs, if any. Additional changes will most likely delay the schedule and may increase the cost.

Name	New World Systems Message switch to Printrak CAD
Short Description of Interface or Custom Modification	New World will provide a two-way interface for Printrak CAD and the New World message switch. This interface will provide basic CAD to mobile functionality.
Data Source	Printrak CAD
Target	New World Systems Mobile via Message Switch
Interface Direction	Two Way Interface
NWS Interface	N/A
External System Interface	Printrak CAD
Detailed Description	This interface will provide the following functionality based on the interface to a PRINTRAK CAD system: Logon to CAD, CAR to CAR messaging, CAR to CAD messaging, Enroute Status, At Scene (Arrive) Status, Change Status (various statuses), active incident inquiry, incident summary inquiry (active and pending calls), incident history inquiry, unit status inquiry, unit history inquiry, CAD dispatch message, field reports populating from dispatch, add narrative to call, close call with disposition.
Protocol/Transport	Message Switch
Data Formats	Text based
3rd Party Requirements	CAD must be Printrak CAD
NWS Tasks	<ul style="list-style-type: none"> • Work with agency to define scope and functionality of interface • Develop functional specification for approval • Install, configure, and test interface
Customer Tasks	<ul style="list-style-type: none"> • Work with NWS to define scope and functionality of interface • Provide a technical contact for Printrak – ideally one who can reference Apex NC and the work done at that site • Customer responsible for obtaining technical specifications and any necessary 3rd party technical contacts • Have resource available to review and approve interface design • Have resources available to assist in installation, configuration, and testing of interface. Personnel assigned should be familiar with the external system



APPENDIX 1
AGREEMENT AND AUTHORIZATION FOR PROCUREMENT
OF THIRD PARTY PRODUCTS AND SERVICES

The attached configuration (Exhibit 1) describes the Third Party products and services that **New World** will obtain for **Village**. By their written approval below, **Village** authorizes **New World** to order the Exhibit 1 products for delivery to:

Village of Lombard
Attn: Larry McGhinnis
255 E. Wilson
Lombard IL 60148

The payments for Appendix 1 Services are covered under the Cost Summary and Payment Schedule in Exhibit AA.

Village is responsible for the site preparation and related costs to install the Exhibit 1 Third Party products. **Village** is responsible for any returned product charges, including re-stocking and shipping fees, for all Third Party products ordered by **New World** on the **Village's** behalf. Travel Expenses incurred by **New World** are in addition to the Exhibit 1 cost and will be billed weekly as incurred.

The Exhibit 1 components and cost may only be changed by mutual agreement of the parties. If a change order in the configuration requires additional costs, **New World** shall notify **Village** of the additional costs and with **Village's** approval these costs shall be borne by **Village**. Without such approval, the change order will not be processed.

Village shall or may be required to execute selected agreements with vendors and **New World** shall not confirm the ordering of any Exhibit 1 products without **Village's** authorized signature on said Agreements. **Village** shall receive the benefit of all warranties, services, etc. provided for in the Agreements.

New World warrants that the Third Party products described in this Appendix shall be compatible with the Licensed Software provided under this **Agreement**.

EXHIBIT 1
CONFIGURATION

THIRD PARTY PRODUCTS AND SERVICES

THIRD PARTY SOFTWARE

a. Embedded Third Party Software

(includes all Third Party executable components)

b. GIS Software

Mobile

- Mobile In-Car Mapping (55 units)

Geo-File Maintenance Software (ESRI ArcEditor)

- per workstation

c. Diagramming Software (Scene PD)

100 units @ \$229 each

THIRD PARTY HARDWARE

d. Hardware, System Software & Services

Message Switch (5 year HW/SW Maintenance, 24X7X4 WSU)

TOTAL THIRD PARTY PRODUCTS AND SERVICES

\$59,250

MESSAGE SWITCH

SYSTEM HARDWARE

IBM POWER 7 Model 710 Express (Message Switch) 8231-E2B

- (2) USB 160GB Removable Disk Drives (System Backup)
- USB Internal Docking Station for Removable Disk Drives
- Quad Port 1GB HEA Daughter Card
- (2) 146GB 15K-RPM SFF SAS Disk Drives
- Primary OS - AIX
- 8GB (2X4GB) System Memory
- Power GXT145 Graphics Adapter
- (2) 1725W AC Power Supplies (Primary & Redundant)
- SATA Slimline DVD-RAM
- (2) 6' Power Cords, 125V, 15A - Plug Type #4
- Chassis with One Processor Planar
- 4 Core 3.0GHz POWER 7 Processor Module
- Language Group Specify - US English

SYSTEM SOFTWARE

IBM POWER 7 Model 710 Express (Message Switch) 8231-E2B

- IBM AIX Standard Edition Ver. 7.1
- Per Processor Activation - 4 Core
- DVD Process Charge

IBM SERVICES

IBM POWER 7 Model 710 Express (Message Switch) 8231-E2B

- 5 Year HW/SW Maintenance, 24X7X4 WSU

ESRI Notes

- 1) **Village** will restrict use of the ESRI Software to executable code (used with the Aegis Licensed Standard Software).
- 2) **Village** will prohibit (a) transfer of the ESRI Software except for temporary transfer in the event of computer malfunction; (b) assignment, time-sharing, lend or lease, or rental of the ESRI Software or use for commercial network services or interactive cable or remote processing services; and (c) title to the ESRI Software from passing to any other party.
- 3) **Village** will prohibit the reverse engineering, disassembly, or decompilation of the ESRI Software and prohibit duplication of the ESRI Software except for a single archival copy; reasonable Sublicensee backup copies are permitted.
- 4) **Village** will disclaim, to the extent permitted by applicable law, ESRI's liability for any damages, or loss of any kind, whether special, direct, indirect, incidental, or consequential, arising from the use of the ESRI Software.
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