

# Request for Proposals for Software and Implementation Services for an Enterprise Resource Planning (ERP) and Utility Billing Software System



**Solicitation Due Date: June 3, 2019**

**Time: 3:30 p.m. (Central Time)**

All Proposals must be received by the City of Moorhead (City) by the date and time cited above. It shall be the Respondent's sole risk to assure submission by the designated time.

If you or your firm is interested in participating in the solicitation and review process, please submit your proposal to the City of Moorhead 500 Center Ave, P.O. Box 779, Moorhead, MN 56561 on or before 3:30 p.m. CST Monday, June 3, 2019.

The City does not accept proposals submitted electronically.

Late Proposals will not be allowed nor will they be considered.

Solicitation packages must be obtained by downloading from the City's website: <https://www.ci.moorhead.mn.us>. Should you experience problems downloading the solicitation, contact Karla McCall, Finance Director at [karla.mccall@ci.moorhead.mn.us](mailto:karla.mccall@ci.moorhead.mn.us).

## **VENDORS ARE STRONGLY ENCOURAGED TO READ THE ENTIRE SOLICITATION.**

All questions concerning the RFP **must** be submitted via email only, to the City's Finance Director, Karla McCall as provided within this solicitation in Section 1.10.

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# Request for Proposals for Software and Implementation Services for an Enterprise Resource Planning (ERP) System

## Table of Contents

Section	Page
<b>Forms, Worksheets, and Other Attachments.....</b>	<b>iv</b>
<b>1 RFP Introduction and Background.....</b>	<b>1</b>
1.1 Introduction.....	1
1.2 About Moorhead.....	1
1.3 Project Objectives .....	2
1.4 Definitions.....	3
1.5 No Obligation and Right of Rejection .....	5
1.6 RFP Schedule of Events .....	5
1.7 Prequalification of Vendors .....	5
1.8 Minimum Qualifications .....	5
1.9 Incurred Expenses .....	6
1.10 Questions and Inquiries.....	6
1.11 Non-Mandatory Pre-Proposal Vendor Teleconference .....	6
1.12 Amendments and Addenda.....	7
1.13 Non-Warranty of RFP Information.....	7
<b>2 Project Scope .....</b>	<b>8</b>
2.1 Functional Areas .....	8
2.2 Alternate Proposals, Partnerships and Proposers of Subsets of Functionality .....	10
2.3 City and Project Staffing.....	11
2.4 Deployment Model .....	11
2.5 Number of Users .....	12
2.6 Potential Phasing and Target Live Date.....	13
2.7 Current City Applications Environment.....	13
2.8 Project Management Documentation .....	14
2.9 Budget.....	14
2.10 Warranty.....	15
2.11 Source Code Escrow.....	15
<b>3 Proposal Evaluation and Award .....</b>	<b>16</b>
3.1 Evaluation Process.....	16
3.2 Clarification and Discussion of Proposals .....	17
3.3 Evaluation Criteria .....	17
3.4 No Obligation, Right of Rejection, and Multiple Award.....	19
3.5 Negotiations and Contract Execution .....	20
3.6 Ethics.....	20
3.7 Offer Held Firm.....	20
<b>4 Submittal Response Format.....</b>	<b>21</b>
4.1 General Instructions .....	21

4.2	Proposal Organization Guidelines.....	22
4.3	Tab 1 – Company Introduction.....	22
4.4	Tab 2 – Software Solution.....	23
4.5	Tab 3 – Project Approach and Implementation Methodology.....	23
4.6	Tab 4 – Key Proposed Personnel and Team Organization.....	24
4.7	Tab 5 – Project Schedule.....	24
4.8	Tab 6 – Functional and Technical Requirements Response.....	25
4.9	Tab 7 – System and Application Architecture.....	25
4.10	Tab 8 – Data Conversion Plan.....	26
4.11	Tab 9 – Software Hosting.....	26
4.12	Tab 10 – Testing and Quality Assurance Plan.....	26
4.13	Tab 11 – Training Plan.....	26
4.14	Tab 12 – Ownership of Deliverables.....	26
4.15	Tab 13 – References.....	26
4.16	Tab 14 – Response to Narrative Questions.....	26
4.17	Tab 15 – Exceptions to RFP Requirements and Terms and Conditions.....	26
4.18	Price Proposal.....	27
<b>5</b>	<b>Terms and Conditions.....</b>	<b>29</b>
5.1	Pending and Recent Litigation.....	29
5.2	Rights to Submitted Material.....	29
5.3	Private or Nonpublic Information.....	29
5.4	No Obligation, Right of Rejection, and Multiple Award.....	29
5.5	Offer Held Firm.....	30
5.6	Contract Negotiation.....	30
5.7	Failure to Negotiate.....	30
5.8	Contract Type.....	30
5.9	Contract Changes.....	31
5.10	Contract Approval.....	31
5.11	Performance Review.....	31
5.12	Statutory Information.....	31
5.13	Non-Discrimination Clause.....	32
5.14	ADA.....	32
5.15	Force Majeure.....	32
5.16	Policy Compliance.....	32
5.17	City Property.....	32
5.18	Rights of Use.....	33
5.19	Ownership of Data and Transition.....	33
5.20	Audit.....	33
5.21	Personnel.....	33
5.22	Software Upgrades.....	33
5.23	Minnesota Government Data Practices Act.....	34
5.24	Insurance.....	34
5.25	Independent Contractor.....	34
5.26	Copyright.....	35
5.27	Patented Devices, Materials And Processes.....	35

5.28 Subcontractors ..... 35  
5.29 Compliance With Laws And Regulations ..... 35  
5.30 Standard Of Care ..... 35  
5.31 Indemnification ..... 35  
5.32 Ownership ..... 35  
5.33 Assignment ..... 36  
5.34 Waiver ..... 36

## **Forms, Worksheets, and Other Attachments**

### **Attachment A – Tab Forms**

*(See MS Word document “City of Moorhead ERP RFP – Attachment A.docx”)*

### **Attachment B – Functional and Technical Requirements/Capabilities**

*(See MS Excel spreadsheet “City of Moorhead ERP RFP – Attachment B.xlsx”)*

### **Attachment C – Cost Worksheets**

*(See MS Excel spreadsheet “City of Moorhead ERP RFP – Attachment C.xlsx”)*

# 1 RFP Introduction and Background

## 1.1 Introduction

This Request for Proposals (RFP) is intended to solicit Proposals from Respondents capable of satisfying the City of Moorhead's (City) needs for software and professional services to implement an upgraded or new software systems environment.

Respondent's responses will be evaluated and ranked based on the criteria described in this RFP. If a system(s) is available that meets the City's needs, the City may then enter into contract discussions with the selected Respondent(s).

As part of this process the City will be allowing Respondents to submit point solutions (best of breed) and encourages Respondents to participate in this process in order to consider and evaluate a range of marketplace offerings. The City will also allow for proposals for an upgraded systems environment.

In addition to soliciting written responses, this document provides information to assist Respondents in preparing their responses and facilitates the subsequent evaluation and comparison process. In that regard, this RFP:

- Provides information essential to soliciting meaningful recommendations and realistic commitments from the Respondents
- Specifies the desired format and content of Proposals in response to this RFP
- Outlines the City's evaluation and selection procedures
- Establishes a schedule for the preparation and submission of Proposals in response to this RFP
- Establishes a performance standard for the selected Respondent

This RFP and the selected Proposal in response to this RFP will be incorporated into the contract resulting from this solicitation. For purposes of this RFP, the term "Vendor," "Respondent," and "Proposer" are considered to have the same meaning.

## 1.2 About Moorhead

The City of Moorhead is situated in the heart of the Red River Valley, 250 miles northwest of Minneapolis. Moorhead is part of a growing metropolitan region with a population of 38,065 as of the 2010 U.S. Census.

Of the City's \$84,144,970 budget, 74% is spent on governmental functions; such as, police, fire protection, debt payments, capital improvements, parks, street maintenance, building inspections and City planning. The remaining 26% is spent on the City's quasi-business functions, which are called Enterprise funds. The City's Enterprise fund operations include Utilities, Golf Course, Sports Center, Forestry, Pest Control and Airport.

The City of Moorhead operates under the Council-Manager form of government. Policy-making and legislative authority are vested in a City Council (Council) consisting of the Mayor and eight other members, all elected on a non-partisan basis. The Council is responsible, among other things, for adopting the budget, approving ordinances, appointing committees and hiring the City Manager. Council Members serve four-year terms, with four Council members elected every four years and the mayor

and four Council members elected in staggered four-year terms. The Mayor also serves a four-year term and is elected at large. The Council members are elected by ward. The City Manager is responsible for carrying out the policies and ordinances of the Council and for overseeing the day-to-day operations of the city government.

Moorhead’s General Fund is organized into six “operating” departments (Engineering, Fire, Planning & Neighborhood Services, Police, and Public Works) and four “supporting” departments (Administration, Finance and Assessing, Human Resources and Legal). The primary function of operating departments is to provide direct services to the public. The primary function of supporting departments is to manage City-wide initiatives, coordinate resources across departments, and help departments meet their service-goals in alignment with organizational strategy.

The City provides a full range of public services, including police and fire protection; construction and maintenance of highways, streets, and other infrastructure; water, sewer and electric services; and recreational and cultural activities and events.

The following table contains statistics related to the City. These statistics are estimates and are provided for planning purposes only. Additional information has been provided in Table 05: Functional Area Statistics.

**Table 01: City Statistics**

No.	City Area	Statistic
1	Total Budget	\$84.1M
2	Population	38,065
3	Total Full-Time City Staff	260
4	Number of City Departments	11
5	Fiscal Year	January 1 – December 31

### 1.3 Project Objectives

The City is planning to upgrade or replace its current software systems environment with an integrated system, and to adopt systems functionality to support core processes. In doing so, the City seeks to address several challenges in the current environment, and gain future efficiencies, including, but not limited to:

- Challenges in Current Environment:
  - City departments rely on financial staff for financial report creation.
  - Existing system functionality has not been implemented for all functional areas, including accounts receivable and billing.
  - Duplicate processes and “shadow systems” exist throughout the City’s current environment, including new employee information being captured through the onboarding process and then manually typed into Springbrook for time entry and payroll.
  - A centralized software solution is not used to support human capital management. The City is currently using Springbrook software to complete payroll and human resources functions.
  - There is limited self-service functionality available within current systems.

- Numerous manual processes are in place throughout the City, including reconciliation of batches between third-party systems and Fundware.
- Reporting functionality is extremely limited and reports are overwritten in the Fundware system.
- Most transactions occur external of the existing Fundware system which does not allow the City to perform budget validations.
- Opportunities for Improvement and Objectives:
  - The City has a desire to move to a centralized electronic HR system that is integrated with the financial system.
  - The City would like the future environment to provide employee and manager self-service including the ability to view and change information such as W4s and direct deposit.
  - The City would like to have the capability to implement exception-based time entry for exempt employees, and to implement electronic time capture for all employees.
  - Management would like to incorporate a meeting agenda function into the software
  - Departments would like to be able to monitor revenues through the financial system on a daily or weekly basis.
  - The City would like to have an accounts receivable and billing module that is easily and widely used throughout the City.
  - The City would like to have integrated project accounting functionality.
  - The City would like the future environment to have drill-down capabilities throughout the system, including the ability to easily view information in different modules.
  - The City would like to prepare utility billing and collections through an integrated system.

The City's Information Technology team has developed a number of customized tools or applications to address gaps in both the functionality and automation offered by the packaged software solutions. Some examples of these tools include online overtime requests, public safety scheduling, electronic time entry, IVR timekeeping, online citizen payment portal, mobile smartphone enabled components, and more. It will be important that these tools are considered and replaced where possible with the implementation of the selected ERP software solution.

In order to address these challenges and others, the City has initiated a project to adequately plan for, select, and implement a replacement or upgraded software systems environment. Section 2.0 – Project Scope, outlines the features and functionality desired in a future system(s), as well as the professional services necessary to implement that system(s).

The primary objective is to procure, implement, and maintain a system or systems that mitigate the challenges listed above, allow for streamlined collection and processing of information, and to facilitate standardization and timely access to information by maximizing the use of the new software system(s) capabilities.

## **1.4 Definitions**

In order to simplify the language throughout this RFP, the following definitions shall apply:

**ADDENDA** – Written instruments issued by the City prior to the date for receipt of Proposals that modify or interpret the RFP documents by addition, deletions, clarification, or corrections.

**CITY** – The City of Moorhead, a Minnesota municipal corporation and political subdivision of the State of Minnesota.

**CITY EVALUATION COMMITTEE** – The team of City staff that will participate in the review, evaluation, and scoring of proposals and subsequent evaluation processes, including demonstrations and reference checks.

**CITY IMPLEMENTATION TEAM** – The team of City staff that will participate in the implementation of the selected system.

**CITY PROJECT MANAGER** – The person designated by the City to be the City Project Manager assigned to act on behalf of the City during the term of the resulting Contract.

**CONTRACT DOCUMENTS** – The RFP, submitted Proposals, including any diagrams, Addenda, and a form of agreement between the City and the Contractor, including all change orders, insurance certificates, exhibits, amendments, and attachments.

**CONTRACTOR** – The Contractor(s)/consultant(s) that may be awarded a contract to provide software system(s) and professional services to implement the ERP System for the City.

**CONTRACTOR PROJECT MANAGER** – The person designated by the Contractor and approved by the City to be the Contractor's Project Manager assigned to act on behalf of the Contractor during the term of the resulting Contract. Any change of Contractor Project Manager requires prior written approval of the City Project Manager.

**DAYS** – Means calendar days unless otherwise specified.

**ENTERPRISE RESOURCE PLANNING SYSTEM (ERP)** – Means the financial management, accounts payable, accounts receivable, and human capital management information software system(s) that is described in this RFP and in the Attachments hereto.

**PROJECT** – The project to configure and implement the ERP System for the City as described in this RFP and in the Attachments hereto.

**PROJECT SCOPE** – Scope of services to be provided by the Contractor(s).

**PROPOSAL** – A complete and properly signed Proposal to provide goods, commodities, labor, or services for the sum stated and submitted in accordance with the RFP.

**PROPOSER** – See "RESPONDENT."

**RESOURCE PLAN** – Resources needed to perform Project activities.

**RESPONDENT or PROPOSER or VENDOR** – The person, Contractor, corporation, partnership, or other entity submitting a Proposal on items listed in the RFP documents, and thereby agreeing to meet the specified Contract terms and conditions if awarded the contract.

SERVICES or WORK – All services to be performed by the Contractor to successfully complete the Project to the satisfaction of the City.

SUBCONTRACTOR or SUBCONSULTANT – Any individual, corporation, company, or other entity that contracts to perform work or render services to a Contractor or to another subcontractor as part of this Contract with the City.

VENDOR – See “RESPONDENT.”

### 1.5 No Obligation and Right of Rejection

The inquiry made through this RFP implies no obligation on the part of the City. The City reserves the right to reject any proposal, in whole or in part. The City may reject any proposal that is not responsible to all of the material and substantial terms, conditions, and performance requirements of this RFP. The City reserves the right to reject any proposal determined to be nonresponsive. The City reserves the right to accept proposals with minor missing or incomplete information. The City also reserves the right to refrain from making an award if it determines it to be in its best interest.

### 1.6 RFP Schedule of Events

The following RFP Schedule of Events represents the best estimate of the schedule the City will follow, which is subject to change in the City’s discretion. The City has performed extensive planning work and has planned to meet the dates described below. Vendors are encouraged to hold the demonstration dates listed. If a component of the schedule is accelerated or delayed, it shall be anticipated that the remaining components will also be adjusted by a similar number of days. Any significant change to the schedule will be published via RFP Addendum.

**Table 02: RFP Schedule of Events**

Event	Estimated Date
RFP Published	April 22, 2019
Pre-Proposal Vendor Teleconference	Wednesday, May 1 at 2:00pm CST
Deadline for Questions From Vendors	Friday, May 17 at 4:00pm CST
Deadline for Proposal Submissions	Wednesday, June 1 at 3:30pm CST
Shortlist Vendors notified	Week of June 24, 2019
Vendor Demonstrations	Weeks of July 1 – July 12, 2019

### 1.7 Prequalification of Vendors

The City has not employed a prequalification process. No Vendors are either prequalified or precluded from responding to this RFP.

### 1.8 Minimum Qualifications

In order for Proposals to be evaluated and considered for award, Proposals must be deemed responsive to this RFP as determined in the discretion of the City Evaluation Committee. To be deemed responsive, the submitted Proposal documents shall conform in all material respects to the requirements stated in

the RFP, and Proposers shall document and validate the capability to fully perform all requirements defined by the RFP. Factors to be considered in connection with a Proposer's capability to fully perform all requirements of the RFP include, and may not be limited to: experience, integrity, reliability, capacity, and other factors required to provide the Services defined by the RFP.

### **1.9 Incurred Expenses**

There is no express or implied obligation for the City to reimburse Respondents for any costs or expenses incurred in preparing Proposals in response to this RFP, and the City will not reimburse Respondents for these costs or expenses, nor will the City pay any subsequent costs associated with the provision of any additional information or presentations, or to procure a contract for these Services. The City is not responsible for any cost(s) incurred by a Respondent in preparing and/or submitting a Proposal in response to this RFP. The City will also not be responsible for any costs associated with preparing and/or participating in any systems demonstrations requested of the Respondent's products and Services.

### **1.10 Questions and Inquiries**

It shall be the responsibility of the Respondents to inquire about any portion of the RFP that is not fully understood or that is susceptible to more than one interpretation.

- All questions concerning the RFP **must** be submitted via email only, to the City Finance Director, Karla McCall.
- In accordance with the RFP Schedule of Events in Section 1.6, all questions must be received in writing no later than May 17, 2019, at 4 p.m. Central Time.
- Questions and answers will be issued in accordance with Section 1.11 – Amendments and Addenda.
- Only questions and answers publicly published through Addenda shall be binding.
- All Amendments and Addenda will be posted through the City purchasing portal.

Respondents shall not contact other City staff with any questions or inquiries. Unauthorized contact with any personnel of the City may be cause for rejection of the Respondent's response. The decision to reject a Proposal is solely that of the City.

### **1.11 Non-Mandatory Pre-Proposal Vendor Teleconference**

A non-mandatory Pre-Proposal Vendor Teleconference will be held on Wednesday, May 1, 2019 at 2:00pm CST.

Vendors that are interested in participating in the Pre-Proposal Vendor Teleconference shall contact the RFP Point of Contact (Karla McCall at [karla.mccall@ci.moorhead.mn.us](mailto:karla.mccall@ci.moorhead.mn.us)) in writing to request the teleconference information.

The format of the Pre-Proposal Vendor Teleconference will be an overview presentation of the RFP, its contents, the RFP Schedule of Events, and additional topics. Following the presentation, Vendors will be able to ask questions related to the RFP or the overall process. The City will attempt to answer all questions at that time, but answers provided shall not be binding. Following the Pre-Proposal Vendor

Teleconference, the City will post online the material questions asked and their respective answers in an addendum.

### **1.12 Amendments and Addenda**

All substantial clarifications and RFP revisions will be documented in an addendum, which will be publicly published to the City website.

- Only questions and answers in an addendum shall be considered as part of the RFP.
- The City reserves the right to revise the RFP prior to the deadline for Proposal submissions. Revisions shall be documented in an addendum and publicly published.
- The City reserves the right to respond to minor and immaterial clarifications to vendor questions directly, without publishing the responses to an Addenda. Vendors are encouraged to review the RFP in its entirety prior to submitting questions.

The City will attempt to publicly publish periodic Addenda on a timely basis between the RFP publishing date and the close of the Question period.

### **1.13 Non-Warranty of RFP Information**

Due care and diligence has been exercised in the preparation of this RFP and all information herein is believed to be substantially correct. However, the responsibility for determining the full extent of the exposure to risk and verification of all information herein shall rest solely on those parties making Proposals. The City, its representatives, and its agents shall not be responsible for any error or omission in this RFP, nor shall they be responsible for the failure on the part of any Respondents or their representatives to verify the information herein and to determine the full extent of that exposure.

## 2 Project Scope

### 2.1 Functional Areas

The following table contains the list of functional areas of the desired future systems environment.

**Table 04: Functional Areas**

No.	Functional Area	No.	Functional Area
1	General Ledger and Financial Reporting	8	Timekeeping and Scheduling
2	Budgeting	9	Payroll
3	Purchasing	10	Utility Billing
4	Accounts Payable	11	Applicant Tracking and Onboarding
5	Accounts Receivable, Billing, Cash Receipts	12	Human Resources
6	Project Accounting and Grant Management	13	Risk Management
7	Fixed Assets and Inventory		

The List of Functional and Technical Requirements/Capabilities contained in **Attachment B** contains the detailed functionality the City requires within each functional area in a future systems environment.

The following table contains functional statistics of the City. These statistics are estimates and provided for planning purposes only.

**Table 05: Functional Area Statistics**

No.	Functional Area	Statistic
1	<b>General Ledger and Financial Reporting</b>	
	Number of Funds	11 Governmental Funds
	Chart of Accounts Structure	XXX-XXX-XX-XXXXX
2	<b>Budgeting</b>	
	Operating Budget	\$81.5M
	Capital Budget	\$2.5M
3	<b>Purchasing</b>	
	Number of bids, RFPs, RFIs, RFQs issued annually	150
	Number of purchase cards in use	180
4	<b>Accounts Payable</b>	
	Number of Vendors	7,400
	Number of Invoices per Year	10,000
	Number of 1099's issued per Year	90
	Number of Payments per Year	7,500
5	<b>Accounts Receivable, Billing, and Cash Receipts</b>	
	Number of Invoices/Statements per Year	9,600

No.	Functional Area	Statistic
	Number of Cash Collection Points (including all tender types)	10 Total 5 Enterprise Locations, 6 Governmental (Police, Parks and Recreation 3 locations, City Hall 2 locations)
6	<b>Project Accounting and Grant Management</b>	
	Number of Active Projects	10
7	<b>Fixed Asset Management and Inventory</b>	
	Number of Fixed Assets	4,500 Active
	Departments Utilizing Inventory ( <i>listed by department</i> )	0
9	<b>Payroll</b>	
	Number of W2's per Year	640
	Pay Frequency	Bi-Weekly
<b>Utility Billing Statistics</b>		
10	<b>Water</b>	
	Number of Customer Accounts	13,000
	Number of Meter Reading Cycles	4
	Number of Billing Cycles	4
	Number of Routes	4
	Number of Meters in Service	13,000
	Average Daily Consumption per Customer (gallons)	425
	Miles of City Water Mains	150 miles of water mains
	Total Annual Gallons of Water Pumped	1,398,000,000
	<b>Sanitary (Sewer)</b>	
	Number of Customer Accounts	13,000
	Miles of City Sanitary Sewer	150 miles of sanitary sewer mains
	<b>Storm Water</b>	
	Number of Customer Accounts	13,000
	Number of Billing Cycles	4
	Miles of City Storm Water	125 miles of storm sewer mains
	<b>Recycling Services</b>	
	Number of Customer Accounts	13,000
	Number of Billing Cycles	4
	Number of Containers	13,000
Tons of Recycled Material	700	

No.	Functional Area	Statistic
	<b>Electric Services</b>	
	Number of Customer Accounts	13,000
	Number of Billing Cycles	4
	Miles of Electric Lines	200 miles
	<b>Utility Billing Customer Information</b>	
	Number of Accounts	13,000
	Average Daily Receipts (Utility Billing only)	\$47,500
	Number of Cash Receipting Stations (Registers)	2– Most receipting is performed online/electronically
	Number of Annual Utility Bills	80,000
11	<b>Applicant Tracking and Onboarding, Workforce Management, Benefits, and Risk Management</b>	
	Number of Full-Time Employees	270
	Number of Part-Time Employees	5
	Number of Seasonal Employees	370
	Number of Applicants per Year (Approximate)	2,200
	Number of Bargaining Units	5
	Number of Benefit Plans	20
12	<b>Human Resources</b>	
	Number of employees using time clocks (current)	200
	Departments using time clocks (current)	15
	Departments to use scheduling functionality	5
13	<b>Risk Management</b>	
	Number of Insurance Claims	80

## 2.2 Alternate Proposals, Partnerships and Proposers of Subsets of Functionality

As part of this process the City will be allowing Respondents to submit point solutions (best of breed), and encourages Respondents to participate in this process in order to consider and evaluate a range of marketplace offerings. Respondents are encouraged to establish partnership relationships to fully provide all requirements defined by the RFP.

- Respondents engaged in a partnership relationship shall submit a single proposal in response to this RFP.
- Partnership relationships shall be clearly defined by proposal responses. Such definition shall identify the entity in the partnership relationship deemed to be the Prime Vendor. In the event a proposal that presents a partnership is selected, it is expected that a single contract be executed between the City and the Prime Vendor, and the Prime Vendor be responsible for any contractual relationship with the proposed partner(s).

- Each Vendor engaged in the partnership shall respond to any and all applicable portions of this RFP that relate to the work that will be performed, or the capabilities provided. For example, each Vendor shall provide references, and each Vendor shall respond to the Company Background and History questions.

The City does have a preference toward an end-to-end solution to facilitate the sharing of data and reduce the overall number of applications supported, however, the City places a higher priority on the overall functionality provided by the software and is willing to consider best-of-breed solutions (“point” solutions).

- Proposers are also encouraged to propose on a subset of functionality if the proposed software cannot provide functionality for all requested modules.
- The City will consider proposers of a subset of functionality on the relative merit of the functionality proposed based on the evaluation criteria laid forth in this RFP, and reserves the right to enter into negotiations for one or more proposers in order to achieve a “best-of-breed” solution.
- The City reserves the right to make one or more awards to competing Proposers for subsets of functionality as a result of this RFP. In the event the City should make awards to one or more competing Proposers, it shall be expected that additional discussion will take place between the City and the Proposers to define requirements and an approach to building an integration or interface between the selected systems. In such instance, the City expects that the Proposers will work together as necessary to develop the necessary integration once one has been identified.

Respondents may submit alternate Proposals for evaluation.

### **2.3 City and Project Staffing**

The City intends to have both functional and technical resources available during Project implementation. Additional resource planning will be done based upon the selected Respondent(s). Respondents shall clearly indicate in the proposal responses the estimated level of City resource involvement in the implementation process, in order to allow the City to perform adequate planning. The City will utilize the response to Respondents’ Resource Hour Estimates in Tab 3 of Proposals as an input into the staffing plan the City develops, and requests that Respondents clearly articulate estimated staffing considerations in their responses.

### **2.4 Deployment Model**

The City does not have a preference as to the deployment model, and remains sensitive to both the acquisition costs of the software as well as ongoing support of systems including hardware and server and licensing costs. The City requests that vendors, as part of their proposals, indicate any potential cost savings (including potential savings associated with hardware, infrastructure, support, and other costs) that may be associated with the proposed deployment model. As part of this solicitation process the City will consider, in no particular order, the following deployment models:

- a. On Premise (locally hosted at the City, perpetual licenses)
- b. Software as a Service (SaaS or subscription-based models)
- c. Proposer hosted (hosted and managed by the Proposer, perpetual licenses)

Cost sheets have been provided under **Attachment C** for pricing each of the deployment models. The City recognizes there are many factors contributing to a comparison of cost Proposals for these various deployment methods including needed infrastructure, a particular Proposer’s approach to managing upgrades, and technical staffing needs. It is well understood among the City team that a “higher” cost from a SaaS vendor may be equalized by considering these other cost areas when comparing to an on-premise deployment.

This solicitation is not a bid process nor will it follow a lowest-priced responsive Proposal process, but will be based on most advantageous Proposal(s) utilizing the Evaluation Criteria listed in the RFP, including the review of life cycle costs (i.e. recurring costs, hardware, third-party licenses, etc.).

## 2.5 Number of Users

The following user counts by module contained in the table below are estimates and are provided for planning purposes only. The number of users represents the **anticipated future number of users of a new system**.

**Table 06: Number of Users**

No.	Functional Area	Total Users	Concurrent Users	Read-Only or Limited Data Entry
1	General Ledger and Financial Reporting	65	20	20
2	Budget	65	20	20
3	Purchasing	20	5	10
4	Accounts Payable	100	30	50
5	Accounts Receivable and Cash Receipts	20	5	10
6	Project Accounting and Grant Management	15	5	5
7	Fixed Assets and Inventory	10	5	0
8	Time Keeping and Scheduling	95	75	1,000
9	Payroll	95	50	1,000
10	Utility Billing	10	5	5
11	Applicant Tracking and Onboarding	95	50	300
12	Human Resources	95	50	0
13	Risk Management	6	2	2

It is anticipated that some users will use multiple modules, causing overlap in each functional area. The counts were broken down by functional area to allow Respondents to formulate responses based on each. The City estimates that:

- The total number of licensed regular daily users of the system (requiring the ability to add, edit, and view content) may be around 100
- The total number of regular daily concurrent users (unnamed license seats – in other words, how many people are expected to be accessing the system/module at the same time. This is in

contrast to named users who have dedicated licenses tied to a unique login/user ID) to be around 80

- The total number of limited data entry users (staff that will access the system in a view or read only mode, and will not need system permissions to enter daily transactions, but may use the access to either view the status of a transaction such as purchase order, payable, or budget report) to be around 1,000 (based on time entry needs)

## 2.6 Potential Phasing and Target Live Date

The City requests that proposers provide potential phase start and target go-live dates in proposal responses per Section 4.7. **The City is committed to meeting a November 30, 2020 live date** for all system functionality, and is open to other recommendations on phasing plans, including recommended start and live dates by phase. These dates should be estimates based on anticipated resource requirements and dependencies between functional areas. These dates are subject to negotiation.

## 2.7 Current City Applications Environment

The City currently uses Blackbaud's Fundware (Fundware) version 7.6 to manage its financial accounting functions. Fundware was originally implemented by the City in 2003 and last upgraded in 2012. Fundware is best known as an ERP solution for non-profit organizations and does not develop software to meet the specific needs of local government entities. The City uses Accela's Springbrook (Springbrook) solution for Human Resources, Payroll, Business License, Building Permits and Code Enforcement. There is no integration between Fundware and Springbrook. The City uses Advanced UB Systems for utility billing. The City's preference is to replace the financial modules of Fundware, the Human Resources and Payroll modules of Springbrook and add a module for utility billing with a single integrated ERP solution that includes all components.

The City's information Technology team has developed a number of customized tools or applications to address gaps in both the functionality and automation offered by the packaged software solutions. Some examples of these tools include online overtime requests, public safety scheduling, electronic time entry, IVR timekeeping, online citizen payment portal, mobile smartphone enabled components, and more. It will be important that these tools are considered and replaced where possible with the implementation of the selected ERP software solution.

The City has adopted additional external and third-party systems to support related business functions. Systems identified in bold are not being considered for replacement through this RFP process. Vendors are instructed to review the "Interfaces" tab of Attachment B for further information related to potential data exchanges between supporting software systems. The following systems are in use by the City in addition to the Fundware and Springbrook systems modules described above.

No.	Software System	Use Summary
1	ACTIVE Net	Recreation Management
2	LOGIS	Special Assessments
3	Excel Spreadsheets	Fixed Assets

No.	Software System	Use Summary
4	My Page (in-house design)	Scheduling and time entry
5	PubWorks	Fleet, Work Order, Inventory Management
6	Springbrook Modules	Business License, Code Enforcement, Permitting
7	<b>Laserfiche</b>	<b>Document management</b>
8	Timekeeping/Scheduling	IVR custom solution
9	Advanced UB Systems	Utility billing software
10	Shadow Systems	Import/export utilities, spreadsheets, web pages

## 2.8 Project Management Documentation

The following information establishes the expectation of the minimum level of project management documentation to be provided by Respondents as a part of, but not exclusively, the resulting implementation services offered. As part of the implementation scope, following signing of a contract, the selected Contractor(s) shall develop and provide the City with the following items:

- Project Management Plan: a detailed Implementation Project Plan that, at a minimum, includes the following:
  - Objectives
  - Deliverables and Milestones
  - Project Schedule
  - Resource Management Processes
  - Scope Management Processes
  - Schedule Management Processes
  - Risk Management Processes
  - Quality Management Approach
  - Communication Management Approach
  - Organizational Change Management Approach
  - Status Reporting
- Data Conversion Plan
- Training Plan
- System Interface Plan
- Testing and Quality Assurance Plan
- Pre- and Post-Implementation Support Plan
- System Documentation
- Risk Register

Documentation about each Plan may be found in Section 4.0 of this RFP.

## 2.9 Budget

Budget planning for this initiative is ongoing, and a specific amount for the software and implementation services portion has not yet been determined. The City has an estimate of the budget range that will be needed for a project of this type based on research of cities of comparable size. The City does not typically disclose the budget available for projects during the solicitation process. It is not the City's

desire to purchase the lowest cost product but to purchase the best product to fit within the City's needs for the near future.

### **2.10 Warranty**

A comprehensive warranty in form and content satisfactory to the City is sought by the City for all software and implementation services covered by this RFP and shall be provided with the proposal for the City's review under Tab 3. It is assumed that Respondents have priced the software and services to recognize these warranty provisions. The extent and proposed terms of the warranty coverage will be evaluated by the City as part of the overall procurement process.

### **2.11 Source Code Escrow**

The City's preference is that an escrow option be made available, but understands that it may not be available for some deployment methods. If a Vendor is unable to provide for making escrow available to the City, this should be noted in the Exceptions taken to the RFP, and an explanation shall be offered. The City's preference is for Selected Respondents to place source code for the software modules licensed by the City in escrow with an independent, mutually acceptable third-party escrow service provider (with whom a separate escrow agreement will be entered into by City, with all related costs paid by the Respondent).

## 3 Proposal Evaluation and Award

### 3.1 Evaluation Process

The following subsection outlines the intended proposal evaluation process the City has identified. The City reserves the right to deviate from this process at its own discretion, and to (i) negotiate any and all elements of the RFP, (ii) amend, modify, or withdraw the RFP, (iii) revise any requirements under the RFP, (iv) require supplemental statements of information from any Respondent, (v) extend the deadline for submission of Proposals, (vi) cancel, in whole or part, this RFP if the City deems it is in its best interest to do so, (vii) request additional information or clarification of information provided in any Proposal without changing the terms of the RFP, (viii) waive any portion of the selection process in order to accelerate the selection and negotiation with the top-ranked Respondent; and/or (ix) award the contract without written or oral discussions with any Respondents. The City may exercise the foregoing rights at any time without notice and without liability to any Respondent, or any other party, for expenses incurred in the preparation of responses hereto or otherwise.

The City reserves the right to reject any or all Proposals or parts of Proposals, to accept part or all of Proposals based on considerations other than lowest cost, and to create a Project of lesser or greater expense than described in this RFP or the respondent's reply, based on the component prices submitted. The City reserves the right to cancel this solicitation or to change its scope if it is in the best interest of the City.

- a. **Vendor Shortlist:** The City Evaluation Committee will initially review and evaluate each Proposal received to determine the Proposer's ability to meet the requirements of the City. The evaluation criteria described in Section 3.3 will be the basis for evaluation. The Evaluation Committee will determine the Respondents best suited to meet the needs of the City based on the scoring of the evaluation criteria. These Vendors will form the Vendor Shortlist.
- b. **Vendor Demonstrations:** The City, at its sole discretion, reserves the right to have system demonstrations with those Respondents on the Vendor Shortlist, or any other Vendor. Demonstrations will be conducted at City offices.

Vendors that are invited to participate in demonstrations are advised that the provided scripts must be strictly adhered to while presenting. Optional modules or functionality may be presented if they fall inside the scope of requested functionality or that functionality which has been proposed by the Respondents. The proposed version of the software must be shown, and must not include any software that is under development or in beta testing. Evaluation Committee members will view the demonstrations, and additional City staff may also be in attendance to observe and provide informal feedback. The City may elect, at its sole option, not to conduct discussions or demonstrations with respondents.

- c. **Reference Checks:** The City may employ a process of contacting references provided through Respondents' proposals. This process may include teleconference meetings, web conferences, and in-person meetings with references. The City reserves the right to conduct reference checks at any point in the evaluation process.
- d. **Best and Final Offer and Request for Clarification:** A Best-and-Final-Offer process may be initiated if it is determined to be in the best interest of the City. Such process may be initiated following the identification of the Vendor Shortlist or at any other evaluation process step.

Additional processes of scope and cost clarification may be employed as part of the evaluation process if it is deemed to be in the City's best interest.

### 3.2 Clarification and Discussion of Proposals

The City may request clarifications and conduct discussions with any Respondent that submits a Proposal, including requesting additional information. The City reserves the right to select the Proposal or Proposals that it believes is the most responsive as determined by the City Evaluation Committee, which will best serve the City business and operational requirements, considering the evaluation criteria set forth below. Respondents shall be available for a system demonstration to City staff on dates specified in Table 02 or as otherwise requested by the City if selected for system demonstrations. Failure of a Respondent to respond to such a request for additional information, clarification, or system demonstrations may result in rejection of the Proposal. Clarifications may not result in a material or substantive change to the Proposal. The initial evaluation may be adjusted because of a clarification under this section. The City reserves the right to waive irregularities in the Proposal content or to request supplemental information from Respondents.

### 3.3 Evaluation Criteria

As described in the preceding Evaluation process sub-section, the City intends to follow a progressive/cumulative approach to scoring based on key evaluation activities. The City hereby reserves the right to evaluate, at its sole discretion, the extent to which each Proposal received compares to the stated criteria. Vendor proposals shall be evaluated in accordance with the following criteria, subject to variation at the sole discretion of the City:

**3.3.1 Short-List Identification:** The City intends to utilize the criteria presented in Table 08 following the Evaluation Team's review of Proposals. Each Proposal will be eligible to be awarded up to 100 points at this stage.

**Table 08: Short-List Identification Criteria**

Criteria	Description	Max Points
Functionality	<p>This criterion considers but is not limited to the following:</p> <ul style="list-style-type: none"> <li>The vendor's written responses to the Functional and Technical Requirements for proposed functional areas.</li> <li>The ability for the proposed software to integrate with the City's systems environment.</li> </ul>	35
Technical	<p>This criterion considers but is not limited to the following:</p> <ul style="list-style-type: none"> <li>Alignment of the proposed software to the City's preferred technical specifications.</li> <li>The vendor's written response to each Potential Interface.</li> <li>The level of integration among proposed functional areas.</li> </ul>	15
Approach	<p>This criterion considers but is not limited to the following:</p> <ul style="list-style-type: none"> <li>The described approach to implement an enterprise system to achieve the City's goals and objectives.</li> <li>The alignment of the proposed implementation timeline to the City's desired timeline milestones.</li> </ul>	15

Criteria	Description	Max Points
	<ul style="list-style-type: none"> <li>The distribution of implementation tasks among City and vendor teams.</li> <li>The proposed resources hours among City and vendor teams.</li> <li>The vendor's approach to key implementation tasks including but not limited to data conversion, testing, and training.</li> <li>The vendor's planned ongoing support and maintenance services.</li> </ul>	
Vendor Experience	<p>This criterion considers but is not limited to the following:</p> <ul style="list-style-type: none"> <li>The vendor's experience delivering the services requested in the RFP.</li> <li>The vendor's experience with similar implementations for comparable organizations.</li> <li>The vendor's experience deploying comparable interfaces to the City's related applications.</li> </ul>	15
Proposed Staff Experience	<p>This criteria considered but is not limited to the following:</p> <ul style="list-style-type: none"> <li>The experience of named staff delivering the services requested in the RFP.</li> <li>The experience of named staff with similar implementations for comparable organizations.</li> <li>The qualifications of named staff to deliver the services requested in the RFP with a focus on business process optimization.</li> </ul>	20

**3.3.2 Finalists Identification:** The City intends to utilize the criteria presented in Table 09 following the demonstrations by Short-List vendors. Each Proposal will be eligible to be awarded up to 30 points at this stage.

**Table 09: Finalist Identification Criteria**

Criteria	Description	Max Points
Functionality Demonstrated	<p>This criterion considers new information learned through vendor demonstrations including but not limited to:</p> <ul style="list-style-type: none"> <li>The demonstrated user interface.</li> <li>The alignment of demonstrated functionality with preferred business processes.</li> </ul>	15
Technical Capabilities	<p>This criterion considers new information learned through the Technical Discussion as part of vendor demonstrations as well as other sessions.</p>	5
Approach Discussion	<p>This criterion considers new information learned through the Implementation Approach Discussion as part of vendor demonstrations as well as other sessions.</p>	5
Experience Discussion	<p>This criterion considers new information learned through the Company Overview Discussion as part of vendor demonstrations as well as other sessions.</p>	5

**3.3.3 Preferred Vendor Identification:** The City intends to utilize the criteria presented in Table 10 following the completion of reference checks and any site visit. Each Proposal will be eligible to be awarded up to 30 points at this stage.

**Table 10: Finalist Identification Criteria**

Criteria	Description	Max Points
Comparable References	This criterion considers the relevance of references related to organization size, comparable scope, similar software version, and deployment model.	10
Reference Feedback	This criterion considers the feedback received from references related to the vendor's performance in the implementation including meeting project objectives and timelines, as well as the knowledge, skills, and experience of implementation staff; capabilities of the software; and ongoing vendor performance with support and maintenance.	20

**3.3.4 Cost Point Allocation:** The City will evaluate cost proposals based upon this criteria. Cost points will be applied at the timing determined by the Evaluation Team. Cost points may be refined or replaced in the event of a subsequent Request for Clarification or Request for Best and Final Offer (BAFO). Each Proposal will be eligible to be awarded up to 40 points for cost.

**Table 11: Cost Point Criteria**

Criteria	Description	Max Points
Cost	<p>This criterion considers, as applicable, the price of the software license/subscription schedule, services, and terms of any offered ongoing maintenance and support (including applicable service level agreements, disaster recovery, etc.) proposed in response to the information solicited by this RFP. Respondents will be evaluated on their pricing scheme, as well as on their price in comparison to the other proposers.</p> <p>In evaluating cost, the City will evaluate on a fully loaded ten-year cost of ownership. Fully loaded is defined to include (but is not limited to): software purchase/subscription and implementation costs; ongoing support and service costs; hardware costs; hosting and associated hardware support costs. The City reserves the right to add their own estimates of the costs (including any anticipated savings) associated with the required level of internal staffing (business users and IT staff) for implementation and for ongoing support, hardware and overhead costs and savings, and may rely on the Respondent's resource estimates as a basis for their calculations.</p> <p>Vendors of point solutions will be compared against other proposals for the respective functional area group.</p>	40

### 3.4 No Obligation, Right of Rejection, and Multiple Award

The inquiry made through this RFP implies no obligation on the part of the City. This RFP does not constitute an offer or a contract with any Respondent or other party. The City reserves the right to reject any or all Proposals, in whole or in part, or to accept or reject all or any part of any Proposal. Proposals deemed to be received from debarred or suspended Vendors will be rejected. The City may reject any

Proposal that is not responsive to all of the material and substantial terms, conditions, and performance requirements of this RFP. The City further reserves the right to award all, part, or none of the components/functional areas included in this RFP. In addition, the City reserves the right to make one or more awards to competing Respondents for subsets of functionality as a result of this RFP. The City also reserves the right to refrain from making an award if it determines it to be in its best interest. The City reserves the right to abandon the Project and/or to re-advertise and solicit other Proposals.

### **3.5 Negotiations and Contract Execution**

The City reserves the right to negotiate the final terms and conditions of any one or more contracts to be executed, including but not limited to the fees. In the event the City and a Respondent are unable to agree upon all contract provisions, the City reserves the right to cease negotiations, and to move on to select another Respondent, or to reject all Proposals.

### **3.6 Ethics**

It is a breach of ethical standards for any person to offer, give, or agree to give any City employee or Council person - or by City Policy, for any City employee or Council person to solicit, demand, accept, or agree to accept from another person, entity, or agency - a gratuity or an offer of employment whenever a reasonable prudent person would conclude that such consideration was motivated by an individual, group, or corporate desire to obtain special, preferential, or more favorable treatment than is normally accorded the general public. The Respondents shall not assign any interest in any contract entered into with the City, and shall not transfer any interest in any contract with the City, without the prior written consent of the City, which consent may be withheld in the City's sole discretion. Respondents shall not accept any private client or project that may place it in ethical conflict during its representation of the City.

### **3.7 Offer Held Firm**

Proposals must remain open and valid for at least 180 days from the deadline specified for submission of Proposals. In the event award is not made within 180 days, the City will send a written request to all Bidders deemed susceptible for award, asking Respondents to hold their price firm for a longer specified period of time.

## 4 Submittal Response Format

### 4.1 General Instructions

The following instructions must be followed by Respondents submitting Proposals. Offers that do not comply with all instructions contained herein may be disqualified:

1. **Deadline:** The deadline for Proposal submissions is established in Section 1.5. It will be the sole responsibility of the Respondent to submit its Proposal to the City before the closing deadline. Late Proposals will not be allowed. If a Respondent feels that delivery of a proposal may be delayed in transit (e.g. third-party carrier, weather) please contact the City Finance Director, Karla McCall (218-299-5185 or karla.mccall@ci.moorhead.mn.us), immediately upon becoming aware of the possible delay.
2. **Hard Copy Proposals:**
  - Respondents shall submit one (1) version of the Technical Proposal and one (1) version of the Price Proposal in separate binders with tab separators, clearly marked "Original."
  - Respondents shall submit seven (7) versions of the Technical Proposal and seven (7) versions of the Price Proposal in separate binders with tab separators, clearly marked "Copy."
  - Technical Proposals shall not include extraneous marketing materials.
3. **Fax and Email Proposals:** Fax or email responses will not be accepted.
4. **Delivery/Mailing Instructions:** Sealed Proposals shall be clearly labeled on the outside of the packaging with the RFP Title. The mailing address for Proposals is contained in the following table.

**Table 4: Proposal Mailing Addresses**

Mailing Address
City of Moorhead ERP Proposal Response 500 Center Ave., PO Box 779 Moorhead, MN 56561

5. **Amendment of Proposals:** Respondents may amend Proposals prior to the deadline set for receipt of Proposals. In the event an Addenda is issued and a Respondent has previously submitted a Proposal in response to this RFP, the Respondent shall notify the RFP Point of Contact via email of the need to submit an amendment, and clearly outline the reasons in writing. No amendments will be accepted after the deadline unless they are in response to a request of the City.
6. Except for trade secrets as defined by MN Statutes 13.37 (b), all Proposals will be open for public inspection after the contract award. Respondents are advised to carefully read the entire Solicitation Package.

## 4.2 Proposal Organization Guidelines

Respondents are instructed to insert the completed Tab forms (Attachment A) in the corresponding Tab sections as a part of their response to the Technical Proposal.

**The City expects that Respondents will include additional proposal content, language, narrative, diagrams, and collateral beyond simply completing the forms and worksheets provided through this RFP.**

The table below contains the organization guidelines for Proposal responses.

**Table 12: Technical Proposal Organization Guidelines**

<b>Proposal Tab No.</b>	<b>Technical Proposal Section</b>	<b>RFP Sec. No.</b>
<b>Tab 1</b>	Company Introduction	4.3
<b>Tab 2</b>	Software Solution	4.4
<b>Tab 3</b>	Project Approach and Implementation Methodology	4.5
<b>Tab 4</b>	Key Proposed Personnel and Team Organization	4.6
<b>Tab 5</b>	Project Schedule	4.7
<b>Tab 6</b>	Functional and Technical Requirements Response	4.8
<b>Tab 7</b>	System and Application Architecture	4.9
<b>Tab 8</b>	Data Conversion Plan	4.10
<b>Tab 9</b>	Software Hosting	4.11
<b>Tab 10</b>	Testing and Quality Assurance Plan	4.12
<b>Tab 11</b>	Training Plan	4.13
<b>Tab 12</b>	Ownership of Deliverables	4.14
<b>Tab 13</b>	References	4.15
<b>Tab 14</b>	Response to Narrative Questions	4.16
<b>Tab 15</b>	Exceptions to Terms and Conditions	4.17
<b>Separate Cover</b>	Price Proposal	4.18

### 4.3 Tab 1 – Company Introduction

The first tab of the Proposal shall contain a Transmittal Letter, Company Background, and information on the use of any proposed subcontractors.

- A. A completed response to the Tab 1 information contained in Attachment A.
- B. Respondents shall also submit signed acknowledgements of any Addenda issued, per Section 1.11.

#### 4.4 Tab 2 – Software Solution

The second tab of the Proposal should include:

- A. A completed response to the Tab 2 information contained in Attachment A.
- B. Any other information that may be relevant and useful to the City.

#### 4.5 Tab 3 – Project Approach and Implementation Methodology

The third tab of the Proposal should include:

- A. A completed response to the Tab 3 information contained in Attachment A.
- B. Any other information that may be relevant and useful to the City.
- C. **Sample Implementation Project Plan:** Respondents shall also include a sample Project Plan that details the approach. The following information provides an expectation on the organization and content of the Project Plan that will be developed as part of the Project with the selected Respondent:
  - **Project Objectives:** This section of the Implementation Project Plan should include overall Project objectives.
  - **Project Deliverables and Milestones:** This section of the Implementation Project Plan should include a list of deliverables and milestones of the Project, and should describe exactly how and what will be provided to meet the needs of the City.
  - **Project Schedule (Project Management Software):** This section of the Implementation Project Plan should identify the dates associated with deliverables and milestones described in Section 2.0. In addition, this section should reflect Project predecessors, successors, and dependencies. The City requires the use of Project management software (such as Microsoft Project) to develop and maintain the Project schedule, Resource Plan, and Gantt chart.
  - **Status Reporting:** This section of the Implementation Project Plan should describe the approach the Contractor will use to provide status reports throughout the course of the Project. This section should include an example of the biweekly or weekly status report and identify the expected delivery mechanism that will be used to provide the report to the City.
  - **Project Management Processes, including:**
    - **Resource Management:** This section should describe City resources, Contractor resources, and the overall Project team structure, including an organizational chart. The defined roles identified for the Contractor, its subcontractors, and the City, should also include a detailed description of the responsibilities related to the identified role, as well as the communication process for each party.
    - **Scope Management:** This section should describe the approach the Contractor will use in order to manage Project Scope and the process used to request changes to Project Scope. It is the City's desire to use the proposed software system "as is" and, as such, any changes must be reviewed and approved by the City's Implementation Project Team.
    - **Schedule Management:** This section should describe the approach the Contractor will use in order to manage the Project schedule and the process used to submit

requested changes to the schedule. The Contractor must ensure that the Project schedule is kept current and report any missed milestones to the City.

- **Risk Management:** This section should describe the approach the Contractor will use to document existing Project risks, provide recommendations for mitigating the risk, and how this will be communicated to the City Implementation Team. As part of the Project Scope, the Contractor(s) will develop and maintain a documented Risk Register. Such Risk Register will be maintained in a centrally accessible location (e.g., Project portal) and be regularly updated. For each risk identified, the Contractor shall be responsible to develop an impact summary and a mitigation strategy in a timely fashion.
- **Quality Management:** This section should describe the approach the Selected Vendor will use to assure that all written deliverables have received appropriate reviews for quality before being submitted to the City.
- **Communication Management:** This section should describe the approach the Selected Vendor will use to provide a detailed communication plan that includes discussion of key implementation metrics that will be used to track progress; types of communication methods (e.g., memo, email, one-on-one meetings, Project team meetings, stakeholder group meetings, online web progress reporting tools) that the Vendor will use; frequency of these communications; and key Vendor points of contact with overall responsibility for ensuring these communications are provided as scheduled. The City also expects that the Selected Vendor will make key personnel and staff available for certain meetings, either on-site or via teleconference or web-conference, which may be required should major issues arise during the implementation that significantly impact the schedule, or budget, of the selected system.
- **Organizational Change Management:** This section should describe the process, tools, and techniques the Selected Vendor will use to manage the people side of change.

#### **4.6 Tab 4 – Key Proposed Personnel and Team Organization**

The fourth tab of the Proposal should include:

- A. A completed response to the Tab 4 information contained in Attachment A.
- B. Any other information that may be relevant and useful to the City.

The City reserves the right to require that background checks be conducted on all individuals conducting work as either employees or independent contractors of the Respondent, or who are otherwise providing services on the Respondent's behalf in connection with the Project, including—without limitation—employees and independent contractors of any third-party companies or firms included in a Respondent's Proposal.

#### **4.7 Tab 5 – Project Schedule**

As part of the fifth tab of the proposal, Respondents shall include:

- A. A completed response to the Tab 5 information contained in Attachment A.

B. Any other information that may be relevant and useful to the City.

#### 4.8 Tab 6 – Functional and Technical Requirements Response

The sixth tab of the Proposal should include the proposed capability to provide the City’s requirements as defined in **Attachment B – Functional and Technical Requirements**.

When providing responses to the requirements in **Attachment B**, Respondents shall use **only** the response indicators contained in the following table.

**Respondents are instructed to enter one response indicator in response to each requirement. Responses to an individual requirement that contain more than one indicator (e.g., C/T) will be treated as a response of “N.”**

**Table 13: Requirements Response Indicators**

Indicator	Definition	Instruction
<b>S</b>	<b>Standard:</b> Feature/Function is <b>included in the current software release</b> and will be implemented by the planned phase go-live date as part of the proposal from Vendors in accordance with agreed-upon configuration planning with the City.	Respondents are encourage, but not required, to provide additional information in the Comments column to further demonstrate the system’s ability to meet the requirement.
<b>F</b>	<b>Future:</b> Feature/Function <b>will be available in a future software release</b> available to the City by November 1, 2019, at which point it will be implemented in accordance with agreed-upon configuration planning with the City.	If a response indicator of “F” is provided for a requirement that will be met in a future software release, the Respondent shall indicate the planned release version, as well as the time the release will be generally available.
<b>C</b>	<b>Customization:</b> Feature/Function is <b>not included</b> in the current software release, and is not planned to be a part of a future software release. However, <b>this feature could be provided with custom modifications</b> . All related customization costs should be indicated in Attachment C – Cost Worksheet.	If a response indicator of “C” is provided for a requirement that will be met through a custom modification, the Respondent shall indicate the cost of such a modification.
<b>T</b>	<b>Third Party:</b> Feature/Function is <b>not</b> included in the current software release, and is <b>not</b> planned to be a part of a future software release. However, this feature could be <b>provided with integration with a third-party system</b> . This system should be specified.	If a response indicator of “T” is provided for a requirement that will be met by integration with a third-party system, the Respondent shall identify this third-party system and include a cost proposal to secure this system.
<b>N</b>	<b>No: Feature/Function cannot be provided.</b>	N/A

As part of the resulting Project Scope, the selected Respondent will develop and provide a detailed System Interface Plan that contains the proposed strategy for interfacing to all applications described in the Interfaces section of **Attachment B – Functional and Technical Requirements**.

#### 4.9 Tab 7 – System and Application Architecture

The seventh tab of the Proposal shall include:

- A. A completed response to the Tab 7 information contained in Attachment A.
- B. Any other information that may be relevant and useful to the City.

#### **4.10 Tab 8 – Data Conversion Plan**

The eighth tab of the Proposal should include:

- A. A completed response to the Tab 8 information contained in Attachment A.
- B. Any other information that may be relevant and useful to the City.

#### **4.11 Tab 9 – Software Hosting**

The ninth tab of the Proposal shall include:

- A. A completed response to the Tab 9 information contained in Attachment A.
- B. Any other information that may be relevant and useful to the City.

#### **4.12 Tab 10 – Testing and Quality Assurance Plan**

The tenth tab of the Proposal should include:

- A. A completed response to the Tab 10 information contained in Attachment A.
- B. Any other information that may be relevant and useful to the City.

#### **4.13 Tab 11 – Training Plan**

The eleventh tab of the Proposal should include:

- A. A completed response to the Tab 11 information contained in Attachment A.
- B. Any other information that may be relevant and useful to the City.

#### **4.14 Tab 12 – Ownership of Deliverables**

The twelfth tab of the Proposal should include:

- A. Identification of the ownership of each project deliverable. Ownership should be identified using the roles described in Attachment A. The resource hours provided as part of Tab 3 should be appropriate based on the roles identified for each Project deliverable.
- B. A completed response to the Tab 12 information contained in Attachment A.
- C. Any other information that may be relevant and useful to the City.

#### **4.15 Tab 13 – References**

The thirteenth tab of the Proposal should include a completed response to the Tab 13 information in Attachment A, containing identification of the Respondent's references for the Project.

#### **4.16 Tab 14 – Response to Narrative Questions**

The fourteenth tab of the Proposal should include the Respondent's response to the narrative questions contained in Attachment A, Tab 14.

#### **4.17 Tab 15 – Exceptions to RFP Requirements and Terms and Conditions**

The fifteenth tab of the Proposal should include:

- A. Any exception the Respondent takes to the requirements and conditions of this RFP. The Respondent will describe exceptions and identify their impact to the City, including—but not limited to—workarounds; reductions in performance; capacity; flexibility; accuracy; and ultimately, cost and value. The Respondent should identify the areas where they feel the requested service or product is not available, deviates from the specific requests, or is deemed to be an unwise or unwarranted approach. The City reserves the right to disallow exceptions it finds are not in the best interests of the City. Any and all exceptions must be identified and fully explained in the submitted Proposal. It is the City’s intention to be made aware of any exceptions to terms or conditions prior to contract negotiations.
- B. Note: Exception to the payment and retainage schedule to be provided with the Pricing Proposal.

#### 4.18 Price Proposal

The Respondent’s Price Proposal shall consist of three sections:

1. The completed Cost Worksheets as contained in **Attachment C**. Respondents shall not modify the worksheets in any way.
2. The Respondent’s standard travel and expense policy.
3. A brief statement of agreement with the Payment and Retainage terms identified below. If a Respondent does not agree with all items, a description should be provided of those items for which exception is taken.

The City understands that there will be potentially four types of costs that are associated with procuring a new system: software licensing, implementation services, annual maintenance costs, and annual subscription costs. In the following subsections, each type of cost is defined and the City’s expectations for payments and retainage associated with these costs are described.

1. **Software Licensing Cost:** Software licensing costs include all costs related to licensing the software application and include third-party software license fees, where applicable. In presenting software license fees, the Respondent shall:
  - Explain all factors that could affect licensing fees in the Comments field of **Attachment C**.
  - Make clear the extent of any implementation services that are included in the license fees (e.g., installation, configuration and training).
  - To the extent possible, the Respondent shall show any applicable discounts separately from the prices for products and Services.
  - The City requests that the Respondent provide separate prices for each functional area/module in the proposed solution.

The City expects an acceptance-based milestone payment schedule for software licensing. Potential acceptance-based milestones include Project Kickoff, Initial System Deployment/Installation, System Configuration, Approval of Go-Live, and Acceptance of System. Vendors shall also describe their typical milestone-based payment schedule for software licensing as part of their Price Proposal.

2. **Implementation Services Cost:** Implementation service costs typically include all costs related to implementation, configuration, data conversion, customization, and training.

- The City prefers that implementation service costs are proposed as “not to exceed” amounts and that the City will be charged for Services as incurred up to the not-to-exceed amounts. Establishment of a not-to-exceed amount does not obligate the City to expend the full amount.
- The City expects that services be invoiced based on clearly defined acceptance-based criteria, with a deliverable, phased, or milestone basis.
- The City prefers that twenty percent (20%) of the implementation service costs will be retained (as a “holdback”) until successful completion, and the City’s written acceptance, of each project phase.

Costs for the proposed solution should be submitted on the Cost Worksheet (**Attachment C**). It is important to note the following:

- The Respondent shall provide price information for each separate component of the proposed solution, as well as the costs of any modifications.
- In the event the product or service is provided at no additional cost, the item should be noted as “no charge.”
- In the event the product or service is not being included in the Proposal, the item should be noted as “No bid.”
- Proposer shall make clear the basis of calculation for all fees and costs.

All estimated travel expenses and related out-of-pocket costs must be included as a separate line item. The City will not pay for travel time spent in connection with services – only reimbursable expenses.

The City expects that travel expenses will be listed as a separate not-to-exceed amount. The City shall not be liable for additional travel costs or out-of-pocket costs incurred for any reason outside the City control. Travel expenses will be paid as incurred on a monthly basis.

3. **Annual Maintenance Cost:** Annual maintenance costs include the annual maintenance and support fees for the application environment. The City expectation is that it will not pay maintenance fees on functional areas being implemented until formal City acceptance has been provided to approve live processing for the associated Project phase. For example, the annual maintenance fees associated with Payroll will be paid upon City acceptance of the Project phase associated with the Payroll module. Upon final system acceptance, the City expects that maintenance fees will be invoiced on an annual basis for all system modules based on the anniversary of system acceptance. Any modules or system components which have previously gone live should be prorated to allow for billing maintenance for all modules on the same annual basis. The City expects software maintenance costs will not increase in the first five (5) years upon go-live operation.
4. **Ongoing Software Subscription Cost (If SaaS Deployment):** Ongoing software subscription costs include the annual payments for access to the software, hosting costs, backup costs, and potentially disaster recovery provisions. The City expects to pre-negotiate any rates of increase in these costs in the first 10 years and also to prescribe availability and performance metrics.

## **5 Terms and Conditions**

### **CONTRACTUAL REQUIREMENTS & TERMS AND CONDITIONS**

The following terms and conditions apply to this RFP solicitation process, and will be incorporated into the resulting contract as applicable.

#### **5.1 Pending and Recent Litigation**

Respondents must disclose any pending or recent litigation they are involved in as a company. Recent is defined as the past three (3) years. Information provided should include the timeline of the litigation history, the subject of the litigation, and the current status of the litigation. Proposals must also disclose any pending litigation of any third-party partners in the Proposal.

#### **5.2 Rights to Submitted Material**

It shall be understood that all Proposals, responses, inquiries, or correspondence relating to or in reference to this RFP, and all reports, charts, and Proposals or referencing information submitted in response to this RFP, shall become the property of the City, and will not be returned. The City will use discretion with regard to disclosure of proprietary information contained in any response but cannot guarantee information will not be made public. As a government entity, the City is subject to making records available for disclosure.

#### **5.3 Private or Nonpublic Information**

Any written, printed, graphic, electronic, or magnetically recorded information furnished by the City for the Respondent's use are the sole property of the City. This proprietary information includes, but is not limited to, customer requirements, customer lists, marketing information, and information concerning City employees, products, services, prices, operations, security measures, and subsidiaries.

The Respondent and its employees shall keep this confidential information in the strictest confidence and will not disclose it by any means to any person except with City approval, and then only to the extent necessary to perform the work under the contract. These confidentiality obligations also apply to the Respondent's employees, agents, and subcontractors and Respondent shall be liable for a breach of the confidentiality obligations by any such party. On termination of the contract, the Respondent, its employees, agents, and subcontractors will promptly return any confidential information in its possession to the City.

#### **5.4 No Obligation, Right of Rejection, and Multiple Award**

The inquiry made through this RFP implies no obligation on the part of the City. This RFP does not constitute an offer or a contract with any Respondent or other party.

The City reserves the right to reject any or all Proposals, in whole or in part, or to accept or reject all or any part of any Proposal. Proposals deemed to be received from debarred or suspended Respondents will be rejected. The City may reject any Proposal that is not responsive to all of the material and substantial terms, conditions, and performance requirements of this RFP. The City further reserves the right to award all, part, or none of the components/functional areas included in this RFP. In addition, the

City reserves the right to make one or more awards to competing Respondents for subsets of functionality as a result of this RFP.

The City reserves the right to reject any Proposal determined to be nonresponsive. The City reserves the right to negotiate with any or all Respondents with respect to any or all terms of a Proposal or Contract, including but not limited to the fees. The City also reserves the right to refrain from making an award if it determines it to be in its best interest. The City reserves the right to abandon the Project and/or to re-advertise and solicit other Proposals.

### **5.5 Offer Held Firm**

Proposals must remain open and valid for at least 180 days from the deadline specified for submission of proposals. In the event award is not made within 180 days, the City will send a written request to all proposers deemed susceptible for award asking proposers to hold their price firm for a longer specified period of time.

### **5.6 Contract Negotiation**

After final evaluation, the City may negotiate with the Respondent(s) of the highest-ranked Proposal. If any Respondent fails to negotiate in good faith, the City may terminate negotiations and negotiate with the Respondent of the next highest-ranked Proposal or terminate negotiations with any or all Respondents.

If contract negotiations are commenced, they may be held at City office locations or via teleconference at a date and time to be determined. If contract negotiations are held, the Respondent will be responsible for all of Respondent's costs including, without limitation, its travel and per diem expenses and its legal fees and costs.

### **5.7 Failure to Negotiate**

If the selected Respondent:

1. Fails to provide the information required to begin negotiations in a timely manner
2. Fails to negotiate in good faith
3. Indicates it cannot perform the contract within the designated timeframes or within budgeted funds available for the Project
4. If the Respondent and the City, after a good-faith effort, cannot come to terms; then

The City may terminate negotiations with the Respondent initially selected and commence negotiations with the next highest-ranked Respondent. At any point in the negotiation process, the City may, at its sole discretion, terminate negotiations with any or all Respondents.

### **5.8 Contract Type**

The contract resulting from this RFP shall be in form and content satisfactory to the City and shall include, without limitation, the terms and conditions provided for in this RFP and such other terms and conditions as the City deems necessary and appropriate. The resulting contract from this RFP shall be a not-to-exceed based contract, subject to the Payment Terms identified in Section 4.18 for the various cost types.

The standard of performance for the contract resulting from this RFP shall be in accordance with the highest applicable standards in the financial information software industry. The initial contract price will be based on prices submitted by the Selected Respondent, subject to contract negotiations with the City, and shall remain firm for the initial term of the contract. Price adjustments may be negotiated at the request of either party in the extension periods with mutual agreement of the parties.

## **5.9 Contract Changes**

Written requests for price changes resulting from a change of scope, as initiated or requested by the City, must be submitted in writing to the City via Change Order. Any increase will be based on the Contractor's actual cost increase only, as shown in written documentation. All Change Order requests must be in writing, must not constitute increases in profit, and must contain data establishing or supporting the increase in cost. At the option of the City, (1) the request may be granted; (2) the Contract may be cancelled, and solicitation may be re-advertised; or (3) continue with the Contract without change.

The City will accept or reject all such written requests within ninety (90) days of the date of receipt of Contractor's request for price increase or receipt of proper written documentation, whichever is later.

If a price increase is approved, the City will issue an amendment or change order to the contract specifying the date the increase will be effective. All Services and related accessories are to be billed at prices in effect at the time the service was rendered or order was placed.

If a price increase is rejected, the Contractor will be notified and, at the option of the City, the Contract may be (1) cancelled and the solicitation may be re-advertised; or (2) continued without change.

All change orders, regardless of amount, must be approved in advance and in writing by the City. No payment will be due or made for work done in advance of such approval.

## **5.10 Contract Approval**

The City's obligation will commence only following the City Council's approval of a Contract and the parties' execution of the Contract. Upon written notice to the Contractor, the City may set a different starting date for the Contract. The City will not be responsible for any work done or expense incurred by the Contractor or any subcontractor, even if such work was done or such expense was incurred in good faith, if it occurs prior to the Contract start date set by the City.

## **5.11 Performance Review**

The Respondent may be required to meet with the City's Project Manager not less than once per quarter to conduct a performance review of the Respondent. These meetings will be either in person in Moorhead, Minnesota, or via teleconference or web-conference with not less than two in-person meetings per year. This performance review will include a review of the pricing, delivery performance, customer service, and improving operational efficiencies.

## **5.12 Statutory Information**

Any contract or agreement resulting from this RFP shall be governed by and construed in accordance with the laws of the State of Minnesota. In the event of litigation, the exclusive venue shall be in the District Court of the State of Minnesota for Clay County.

### **5.13 Non-Discrimination Clause**

During the performance of the contract, the Contractor and all subcontractors will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, sexual orientation, disability, age, marital status, or status with regard to public assistance. The Contractor and all subcontractors will take affirmative action to ensure that all employment practices are free of such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

### **5.14 ADA**

The Contractor and all subcontractors agree to comply with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 and not discriminate on the basis of disability in the admission or access to, or treatment of, employment in its services, programs, or activities. The Contractor and all subcontractors agree to hold harmless and indemnify the City from costs, including but not limited to damages, attorney's fees, and staff time, in any action or proceeding brought alleging a violation of ADA and/or Section 504 caused by the Contractor and any subcontractor.

### **5.15 Force Majeure**

Neither Party shall be in default by reason of any failure in performance of the resulting contract if such failure is proximately caused by causes beyond their reasonable control and without the fault or negligence of said Party including, without limitation, unforeseeable acts of nature; terrorism or other acts of public enemy; war and epidemics or quarantine restrictions ("force majeure").

If either Party is delayed at any time in the progress of the work governed by the contract by force majeure, the delayed Party shall notify the other Party in writing of such delay, as soon as is practical, of the commencement thereof and shall specify the cause(s) of such delay in the notice. The notice shall be hand-delivered or mailed certified-return receipt and shall make a specific reference to this provision. The delayed Party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by contract modification for a period of time equal to the time that results or effects of such delay prevent the delayed Party from performing in accordance with this contract.

### **5.16 Policy Compliance**

The Respondent shall, as a condition of being considered for award of the contract, require each of its agents, officers, and employees to abide by the City's policies prohibiting sexual harassment, firearms, and smoking, as well as all other reasonable work rules, safety rules, or policies regulating the conduct of persons on City property at all times while performing duties pursuant to the contract. The Respondent agrees and understands that a violation of any of these policies or rules will constitute a breach of the contract and will be sufficient grounds for immediate termination of the contract by the City.

### **5.17 City Property**

The use of any and all City property by Contractor or its agents must be approved in advance by the City.

## **5.18 Rights of Use**

The Contractor agrees that the City will own and have the right to use, reproduce and apply as it desires, any data, reports, analyses and materials which are collected or developed by the Contractor or anyone acting on behalf of the Contractor as a result of this contract.

## **5.19 Ownership of Data and Transition**

Any and all City data stored on the Contractor's servers or within the Contractor's custody, is the sole property of the City. The Contractor, subcontractor(s), officers, agents and assigns shall not make use of, disclose, sell, copy or reproduce the City's data in any manner, or provide to any entity or person outside of the City without the express written authorization of the City.

In the event resulting Agreement is terminated for any reason, or upon expiration, and in addition to all other rights to property set forth, the Selected Respondent shall:

- a. Incur no further financial obligations for materials, Services, or facilities under the Agreement without prior written approval of the City;
- b. Terminate all purchase orders or procurements and any subcontractors and cease all work, except as the City may direct, for orderly completion and transition; and
- c. Make available to the City, at no cost, all City data stored within the system, stored on the Contractor's servers, or within the Contractor's custody, within fifteen (15) days of termination or City request.

In the event resulting Agreement is terminated for any reason, or upon expiration, and in addition to all other rights to property set forth, the City shall:

- d. Retain ownership of all data, work products, and documentation, created pursuant to the resulting Agreement

## **5.20 Audit**

Contractor will retain all records related to this contract for 5 years after final payment or until audited by the City, whichever comes first. The City may inspect these records upon reasonable notice to Contractor.

## **5.21 Personnel**

All of Contractor's personnel providing goods and services under the contract shall possess the necessary skills, experience, and knowledge, to perform their assigned duties. In the event assigned personnel are providing non-conforming or unsuitable services, the City shall notify Contractor and provide the opportunity to rectify the deficiency. If unable to cure the nonconforming services within a mutually agreed-upon timeframe, Contractor shall remove from the project and replace the Contractor's personnel that the City deems unsuitable for the project with a resource possessing the necessary skills, experience, and knowledge, to perform their assigned duties in a satisfactory manner. The City and Contractor shall make reasonable efforts to maintain the consistency of assigned personnel to the Project.

## **5.22 Software Upgrades**

The City shall be entitled to any and all upgraded versions of the software covered in the contract that becomes available from the Contractor. Such upgrades shall be provided at no cost to the City so long

as a valid maintenance and support agreement, or if applicable software as a service licensing agreement, is in place.

### **5.23 Minnesota Government Data Practices Act**

Contractor must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to (1) all data provided by the City pursuant to this Agreement, and (2) all data, created, collected, received, stored, used, maintained, or disseminated by Contractor pursuant to this Agreement. Contractor is subject to all the provisions of the Minnesota Government Data Practices Act, including but not limited to the civil remedies of Minnesota Statutes § 13.08, as if it were a government entity. In the event Contractor receives a request to release data, Contractor must immediately notify City. City will give Contractor instructions concerning the release of the data to the requesting party before the data is released. Contractor agrees to defend, indemnify, and hold City, its officials, officers, agents, employees, and volunteers harmless from any claims resulting from Contractor's officers', agents', City's, partners', employees', volunteers', assignees' or subcontractors' unlawful disclosure and/or use of protected data. The terms of this paragraph shall survive the cancellation or termination of this Agreement.

### **5.24 Insurance**

Contractor shall secure and maintain such insurance as will protect Contractor from claims under the Worker's Compensation Acts, and from claims for bodily injury, death, or property damage which may arise from the performance of services under this Agreement. Such insurance shall be written for amounts not less than:

Commercial General Liability	\$1,000,000 each occurrence/aggregate
Professional Liability	\$1,000,000 each claim

The City shall be named as an additional insured on the general liability policy. Before commencing work, the Contractor shall provide the City a certificate of insurance evidencing the required insurance coverage in a form acceptable to City.

### **5.25 Independent Contractor**

The City hereby retains Contractor as an independent contractor upon the terms and conditions set forth in this Agreement. Contractor is not an employee of the City and is free to contract with other entities as provided herein. Contractor shall be responsible for selecting the means and methods of performing the work. Contractor shall furnish any and all supplies, equipment, and incidentals necessary for Contractor's performance under this Agreement. City and Contractor agree that Contractor shall not at any time or in any manner represent that Contractor or any of Contractor's agents or employees are in any manner agents or employees of the City. Contractor shall be exclusively responsible under this Agreement for Contractor's own FICA payments, workers compensation payments, unemployment compensation payments, withholding amounts, and/or self-employment taxes if any such payments, amounts, or taxes are required to be paid by law or regulation.

## **5.26 Copyright**

Contractor shall defend actions or claims charging infringement of any copyright or software license by reason of the use or adoption of any software, designs, drawings or specifications supplied by it, and it shall hold harmless the City from loss or damage resulting therefrom.

## **5.27 Patented Devices, Materials And Processes**

If the Contract requires, or the Contractor desires, the use of any design, device, material or process covered by letters, patent or copyright, trademark or trade name, the Contractor shall provide for such use by suitable legal agreement with the patentee or owner and a copy of said agreement shall be filed with the City. If no such agreement is made or filed as noted, the Contractor shall indemnify and hold harmless the City from any and all claims for infringement by reason of the use of any such patented design, device, material or process, or any trademark or trade name or copyright in connection with the services agreed to be performed under the Contract, and shall indemnify and defend the City for any costs, liability, expenses and attorney's fees that result from any such infringement.

## **5.28 Subcontractors**

Contractor shall not enter into subcontracts for services provided under this Agreement without the express written consent of the City. Contractor shall comply with Minnesota Statutes § 471.425. Contractor must pay subcontractor for all undisputed services provided by subcontractor within ten (10) days of Contractor's receipt of payment from City. Contractor must pay interest of one and five-tenths percent (1.5%) per month or any part of a month to subcontractor on any undisputed amount not paid on time to subcontractor. The minimum monthly interest penalty payment for an unpaid balance of One Hundred and no/100 Dollars (\$100.00) or more is Ten and no/100 Dollars (\$10.00).

## **5.29 Compliance With Laws And Regulations**

In providing services hereunder, Contractor shall abide by all statutes, ordinances, rules and regulations pertaining to the provisions of services to be provided.

## **5.30 Standard Of Care**

Contractor shall exercise the same degree of care, skill, and diligence in the performance of the services as is ordinarily possessed and exercised by a professional consultant under similar circumstances. No other warranty, expressed or implied, is included in this Agreement. City shall not be responsible for discovering deficiencies in the accuracy of Contractor's services.

## **5.31 Indemnification**

Contractor shall indemnify and hold harmless the City, its officers, agents, and employees, of and from any and all claims, demands, actions, causes of action, including costs and attorney's fees, arising out of or by reason of the execution or performance of the services provided for herein and further agrees to defend, at its sole cost and expense, any action or proceeding commenced for the purpose of asserting any claim of whatsoever character arising hereunder.

## **5.32 Ownership**

All reports, plans, models, software, diagrams, analyses, and information generated in connection with performance of this Agreement shall be the property of the City. The City may use the information for

its purposes. The City shall have all common law, statutory and other reserved rights, in addition to the copyright. The City shall not acquire any ownership interest in any intellectual property (including but not limited to reports, plans, models, software, diagrams, analyses, and information) that was owned by Contractor prior to the execution of this Agreement.

### **5.33 Assignment**

Neither party shall assign this Agreement, or any interest arising herein, without the written consent of the other party.

### **5.34 Waiver**

Any waiver by either party of a breach of any provisions of this Agreement shall not affect, in any respect, the validity of the remainder of this Agreement.