



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 5a

Title:

Recommendation to approve the Utility Billing Software Support and Development Agreement Extension with Respect Technology, Inc.

Presenters:

Penny Lancor, Sr. Systems Analyst

Meeting: Government Operations Committee

Date: September 3, 2019

Proposed Cost: \$146,200

Budgeted Amount: \$121,270

Not Budgeted:

Executive Summary *(if not budgeted please explain):*

The City’s utility billing software manages billings and payments for the Electric and Water utilities and also for Wastewater, Yard waste and Refuse usage. The software application processed \$80 million of bills and payments last fiscal year.

As a means to mitigate the risks associated with the City’s aging utility billing and collection software coupled with limited internal staff support resources, in October 2016 City Council approved a three year agreement to secure software support and software development services with Respect Technology, Inc. in the amount of \$311,164. Since October 2016, Respect Technology, Inc. (RTI) has successfully assumed support and development functions for the City’s Utility Billing application.

As a component of the concurrent Enterprise Software Selection project, the Utility Billing application has been prioritized for replacement. Considering the time necessary for replacement software identification, selection, and implementation, RTI’s services will be required for two to three additional years. This contract extension will be for two years with the option to continue yearly as needed. Costs for each year are as follows:

Year 4	\$91,280
Year 5	\$54,920
Total	\$146,200

Attachments *(please list):*

RTI Statement of Work – Years 4 and 5 for the City of St Charles

Recommendation/Suggested Action *(briefly explain):*

Approve a two year contract for utility billing software application development and support services to Respect Technology, Inc. for a not-to-exceed cost of \$146,200.



Pursuant to the Change Process as defined in the Master Services Agreement between Respect Technology, Inc. (“Provider”) and the City of St. Charles, Illinois (“Client”) dated October 3, 2016, this Addendum specifies an extending Statement of Work performed under the original Master Service Agreement.

Project Name: Application Support and Enhancement Development for the Utility Billing System

Per paragraph “4.1 Term” in the MSA, the Statement of Work contained within this addendum extends the term of the engagement through October 2, 2022. The extension shall be effective for a term of two (2) years, and shall thereafter automatically renew for successive one (1) year terms (each period, a “Term”), unless either Party notifies the other in writing at least ninety (90) days in advance of the end of any Term that it does not wish to renew the Agreement. Notwithstanding the above, either Party may cancel the Agreement at any time with sixty (60) days written notice. If Agreement is renewed beyond the term of two (2) years, up to 5% cost increase will be applied

Non-appropriation of funds

In the event sufficient funds are not appropriated for contract payments required to be made in a future fiscal year then the City at its sole discretion may terminate the Agreement at the end of the then current fiscal year, without penalty or additional expense of any kind whatsoever. Notwithstanding anything in the Agreement to the contrary, this Non-appropriation provision shall survive termination of the Agreement.

This Addendum supersedes all Statement of Work language in the original MSA dated October 3, 2016.

All other MSA language continues unchanged.

This Document contains the following sections:

- A. Support**
- B. Rate Sheet – 4th Year**
- C. Summary – 4th Year**
- D. Rate Sheet – 5th Year**
- E. Summary – 5th Year**



A. Support

1. Ticketing System and Process: Provider to supply online/electronic ticketing system.
 - a. Tickets submitted by Client via 3 methods
 - i. Via email at support@respecttechnology.com
 - ii. Via online ticket portal at support, respecttechnology.com with vpn access
 - iii. Via phone call to Provider at number to be provided at contract commencement.
 - b. Electronic response to Client by ticketing system that ticket has been submitted.
 - c. Ticket system emails/tickets monitored by minimum of 3 Provider resources.
 - d. Tickets are assigned levels based on severity with appropriate response and resolution times. (see City of St Charles Service Level Agreement as defined in the Master Services Agreement)
 - e. Tickets have reminders and escalation processes based on severity levels.
 - f. Client technical resources will be notified via email when a Client user opens a ticket.
2. Support
 - a. Level 1 support for troubleshooting, error correction, and user questions during Provider Business Hours, Monday through Friday, 8:00 AM — 6:00 PM EST.
 - b. First and second level support for troubleshooting, error correction, and user questions during prescheduled absences of Client staff. Provider requests Client give seven business days' notice for scheduled absence of Client resources that require Provider to furnish in-depth support.
 - c. At least two Provider staff members (primary and backup) who are qualified to provide troubleshooting, error correction, and user question responses for the iSeries based application.
 - d. Use of an electronic ticket tracking system available during, and outside, Provider Business Hours.
 - e. iSeries Access file transfer support,
 - f. Client hardware support not included.



B. Rate Sheet – 4th Year

Respect Technology, Inc. agrees to assure that for the duration of Year 4, two or more RTI support representatives are on staff (or under contract) capable of providing the following support services to the City of St Charles.

Service Rates – effective with term of Master Services Agreement**Support:**

\$170.00 per hour for Provider Business Hours 8:00 AM – 6:00 PM EST Monday - Friday with monthly commitment of 16 hours.

\$260.00 per hour for Provider Non-Business Hours 6:00 PM – 8:00 AM EST Monday – Friday, emergencies, holidays, and weekends.

\$200.00 per hour for business hours and \$260 per hour for non-business hours for hours beyond 16 hours during a declared disaster. A declared disaster is defined as failing over to the backup system

Analysis, Design, Development, and Testing: \$200/hour 8:00 AM – 6:00 PM Eastern time Monday - Friday

Billing Details

- Provider will bill monthly support fee in advance.
- Provider will send details of work performed for all services with invoices.
- Provider will bill for development projects upon milestone acceptance:
 - Design
 - Test
 - Production
- Provider will submit notification of milestone completion to Client;
The Client has five business days to:
 - 1) Accept the milestone,
 - 2) Notify Provider of defects, or
 - 3) Request from Provider reasonable additional time for a decision.If Client fails to accept, notify, or extend, milestones can be considered accepted by default.
Resubmission and reevaluation of defect corrections follow the same process.

Defined Additional Expenses

- Taxes and Shipping

Billing cycles

- 1st – 15th of month
- 16th – last day of month
- Support billed monthly
- Invoice Terms are Net 30



C. Summary – 4th Year

Tasks	# Technicians	Hours	Rate	Monthly	Total
Analysis, Design, Development, & Testing	1	250	200.00		50,000.00
Monthly Project Management	1	2	200.00	400.00	4,800.00
Total					54,800.00
Monthly Support Fee					
Support	1	16	170.00	2,720.00	32,640.00
Total				2,720.00	32,640.00
Monthly Hosting Fee					
iSeries			640.00	640.00	3,840.00
Total				640.00	3,840.00
Total				3,360.00	36,480.00
Grand Total					91,280.00



E. Rate Sheet – 5th Year

Respect Technology, Inc. agrees to assure that for the duration of Year 5, two or more RTI support representatives are on staff (or under contract) capable of providing the following support services to the City of St Charles.

Service Rates – effective with term of Master Services Agreement

Support:

\$175.00 per hour for Provider Business Hours 8:00 AM – 6:00 PM EST Monday - Friday with monthly commitment of 16 hours.

\$265.00 per hour for Provider Non-Business Hours 6:00 PM – 8:00 AM EST Monday – Friday, emergencies, holidays, and weekends.

\$200.00 per hour for business hours and \$260 per hour for non-business hours for hours beyond 16 hours during a declared disaster. A declared disaster is defined as failing over to the backup system

Analysis, Design, Development, and Testing: \$205/hour 8:00 AM – 6:00 PM Eastern time Monday - Friday

Billing Details

- Provider will bill monthly support fee in advance.
- Provider will send details of work performed for all services with invoices.
- Provider will bill for development projects upon milestone acceptance:
 - Design
 - Test
 - Production
- Provider will submit notification of milestone completion to Client;
 - The Client has five business days to:
 - 1) Accept the milestone,
 - 2) Notify Provider of defects, or
 - 3) Request from Provider reasonable additional time for a decision.
 - If Client fails to accept, notify, or extend, milestones can be considered accepted by default.
 - Resubmission and reevaluation of defect corrections follow the same process.

Defined Additional Expenses

- Travel time: Billed at 65% of Services Rate
- Round trip airfare, taxi or car rental, gasoline
- Accommodations and meals
- Taxes and Shipping

Billing cycles

- 1st – 15th of month
- 16th – last day of month
- Support billed monthly
- Invoice Terms are Net 30



IN WITNESS WHEREOF, each of the Parties hereto has executed this Addendum as of the date specified below. The terms and conditions herein are AGREED and ACCEPTED:

Provider: Respect Technology, Inc.

Client: City of St. Charles, Illinois

Signature: _____

Signature: _____

Printed Name: Danny D. Duncan

Printed Name: Larry Gunderson

Title: President

Title: Director of Information Systems

Date:

Date: