



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item number: 5c

Title: Authorize the Finance Director of the City of St. Charles to Enter into a Three Year Software Maintenance and Support Agreement with Infor (US) Inc. for Fiscal Years 2018, 2019 and 2020.

Presenter: Chris Minick

Meeting: Government Operations Committee

Date: June 5, 2017

Proposed Cost:

\$ 146,536.73 (FY 17/18)
 \$ 150,932.83 (FY 18/19)
\$ 155,460.82 (FY 19/20)
 \$ 452,930.38 Three Year Total

Budgeted Amount:

\$150,880 (FY 17/18)

Not Budgeted:

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

Annual maintenance and support for the City’s Infor/Lawson ERP system is up for renewal as of May 1, 2017. Infor’s standard escalation for maintenance and support is 6% per year. Over the past month, staff has been working with Infor in an effort to contain these price increases. To that end, Infor has proposed a three year maintenance commitment that will reduce the annual increase from 6% to 3% over the term. This would result in a savings of approximately \$23,000 over the three year period. It should be noted that the three year commitment will not impede the City’s long term Enterprise Application Strategy as any potential change in ERP systems will be after the conclusion of the three year term.

The maintenance and support package covers all Infor/Lawson applications including Financials, HR/ Payroll, Inventory Control, Procurement and Fixed Assets; the Lawson Budgeting and Planning module; and a number of technology related applications and services. Infor, as the owner and developer of the software, is the sole provider of support for the software and applications. Benefits received under the maintenance and support package include: Infor Support Assistant, Software Updates and Patches, Critical Solution Notifications, Knowledge Base, Incident Management and access to Customer Communities. To give perspective on how City staff utilizes this support, from May 2016 to April 2017, City staff submitted 74 support incidents with Infor. In addition, almost 500 Knowledgebase articles were downloaded over the past 12 months.

Attachments *(please list):*

- Resolution
- Agreement
- Infor Support Plan Features (City utilizes Premium Support)

Recommendation/Suggested Action *(briefly explain):* Authorize the Finance Director of the City of St. Charles to Enter into a Three Year Maintenance and Software Support Agreement with Infor (US) Inc. for Fiscal Years 2018, 2019 and 2020.

City of St. Charles, Illinois
Resolution No. _____

**A Resolution Authorizing the Finance Director of the City of St. Charles
to Enter Into a Three Year Software Maintenance and Support
Agreement with Infor (US) Inc. for Fiscal Years 2018, 2019 and 2020.**

**Presented & Passed by the
City Council on _____, 2017**

BE IT RESOLVED by the Mayor and City Council of the City of St. Charles, Kane and DuPage Counties, Illinois, that the Finance Director, be and the same, is hereby authorized to enter into a three year software maintenance and support agreement with Infor (US) Inc. for Fiscal Years 2018, 2019 and 2020.

PRESENTED to the City Council of the City of St. Charles, Illinois, this__day of June, 2017

PASSED by the City Council of the City of St. Charles, Illinois, this__day of June, 2017

APPROVED by the Mayor of the City of St. Charles, Illinois, this__day of June, 2017

Raymond P. Rogina, Mayor

ATTEST:

City Clerk

COUNCIL VOTE:

Ayes:

Nays:

Absent:

Abstain:



ADDENDUM

MULTIYEAR SUPPORT COMMITMENT

As it relates to the Component Systems specified herein, this Addendum is subject to the terms of the Software License Agreement between **Infor (US), Inc.** ("Infor") and **City of St. Charles** ("Licensee") with an effective date of August 16, 2010 (the "License Agreement"). As it relates to Support for the Component Systems, this Addendum is subject to the applicable terms of the License Agreement (to the extent it concerns Support) or, if Support is subject to a separate Support Agreement related to the License Agreement, the terms of such Support Agreement (the "Support Agreement"). The License Agreement and related Support Agreement (if any) are referred to herein as the "Agreement". All terms of the Agreement are incorporated herein by reference. Capitalized terms not defined in this Addendum are defined in the Agreement. In the event of a conflict, the terms of this Addendum control over the terms of the Agreement.

In the event the capitalized terms in this Addendum differ from the terminology used in the Agreement, references herein to: "Component Systems" means the software products that are being licensed (and may be referred to in the Agreement as Products, Software Products, Software, Programs or Licensed Programs); "Support" means Infor's current standard maintenance and support services (and may be referred to in an Agreement as Maintenance and Support, Annual Support, Support Services, On-Going Support or One Point Support); "Order Form" means a mutually agreed upon ordering document (and may be referred to in an Agreement as Schedule, Supplement or Supplemental Schedule); "Annual Escalation Percentage Cap" means the maximum percentage increase in an annual Support Fee on an annual basis. In addition, based on the applicable Agreement, listed Component Systems herein owned by a third party may also be referred to in the Agreement as "Additional Software" or "Third Party Software".

Effective date of the Addendum: (the "Addendum Date").

I. Component Systems: Previously licensed Component Systems for which Licensee is purchasing Support. No delivery necessary.

	Part # (if applicable)	Component System	User Restriction		Support Level*
1	S3F-ST301	Custom Suite 1	150	Concurrent Users	XTP
2	UPP-SMC	Smart Office	150	Named Users	XTP
3	UPP-LBI-LEG	Lawson Business Intelligence (Cpu)	2	CPU Cores	XTP
4	UPP-MOA	Microsoft Office Add Ins	999	Named Users	XTP
5	BPP-XMLT	Design Studio	1	Named Users	XTP
6	BPP-LSF	Lawson System Foundation	2	CPU Cores	XTP
7	BPP-PFI	ProcessFlow Integration	6	CPU Cores	XTP
8	S3S-EPP	Procurement Punchout	100	Named users	XTP
9	BPP-MVC	MF Visual COBOL for Windows Compiler (Test)	1	Named Users	XTP
10	BPP-MVX	MF COBOL Server Application Runtime – Windows (Test)	30	Concurrent Users	XTP
11	BPP-MVC	MF Visual COBOL for Windows Compiler (Prod)	1	Named Users	XTP
12	BPP-MVX	MF COBOL Server Application Runtime Windows (Prod)	150	Concurrent Users	XTP

*Support Level: Infor Xtreme ("XT") Support unless otherwise indicated. Descriptions of the Support levels can be found at <http://www.infor.com/support/about-support/>.

II. Support services

Total Support Fee: \$452,930.38

Annual Escalation Percentage Cap: During the Committed Term of Support, the Annual Escalation Percentage is 3%. Thereafter the Annual Escalation Percentage cap shall be 6% or the then-current year-over-year increase in the Consumer Price Index (CPI) whichever is the greater

Committed Term of Support: June 1, 2017 (“**Start date**”) to May 31, 2020

Support Commitment:

The Committed Term of Support specified herein is a binding term, and Licensee may not exercise any rights of non-renewal or cancellation for convenience so as to terminate Support prior to the end of such Committed Term of Support. If Licensee fails to pay Infor any portion of the Total Support Fee when due, then, in addition to other remedies Infor may exercise, Licensee shall immediately be invoiced for, and shall be obligated to pay to Infor, as liquidated damages, the Total Support Fee, as increased by the Annual Escalation Percentage Cap, less any portion of the Total Support Fee previously paid (the “Damages”). If such amount is not paid within fifteen (15) days of invoice, Infor shall have no further obligation to provide Support, and the Licensee shall remain fully obligated to pay the Damages.

Other fees: n/a

Total Amount Due (before applicable taxes): \$452,930.38

Currency: USD

Payment Schedule:

\$146,536.73 (plus applicable taxes) is payable by
May 31, 2017

\$150,932.83 (plus applicable taxes) is payable by
May 1, 2018

\$155,460.82 (plus applicable taxes) is payable by
May 1, 2019

Contact name: Julie Herr

Contact Title: Assistant Director of
Finance

Contact Tel: 630-377-4914

Contact Email: jherr@stcharlesil.gov

Account ID: 1-5368-L

Invoice Address: City of St. Charles; 2 E.
Main Street; St. Charles. IL 60174-1984

THE PARTIES have executed this Addendum through the signatures of their respective authorized representatives.

Infor (US), Inc.

Licensee: City of St. Charles

Signature

Signature

Name:

Name: Christopher A. Minick

Title:

Title: Finance Director

Date:

Date:



Customer Benefits Statement

Prepared especially for:



**Infor customer since:
2010**



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Infor Customer Service Commitment



On behalf of everyone at Infor, I'd like to thank you for your business. We realize you have many options in the marketplace, so we appreciate the opportunity to help you reach your business goals.

At Infor, our primary goal is to provide our customers with the highest level of value in the industry by helping them:

- **Maintain** their current Infor solutions as efficiently and effectively as possible with services such as Xtreme support that focuses on high quality, responsive and proactive support
- **Modernize** their Infor footprint and providing customers the best opportunity to leverage the latest technology to run their business including Cloud solutions.
- **Maximize** their investment in Infor solutions by leveraging innovative services such as Value Engineering to help them identify gaps in key business metrics and create a plan to leverage their Infor solution to close those gaps.

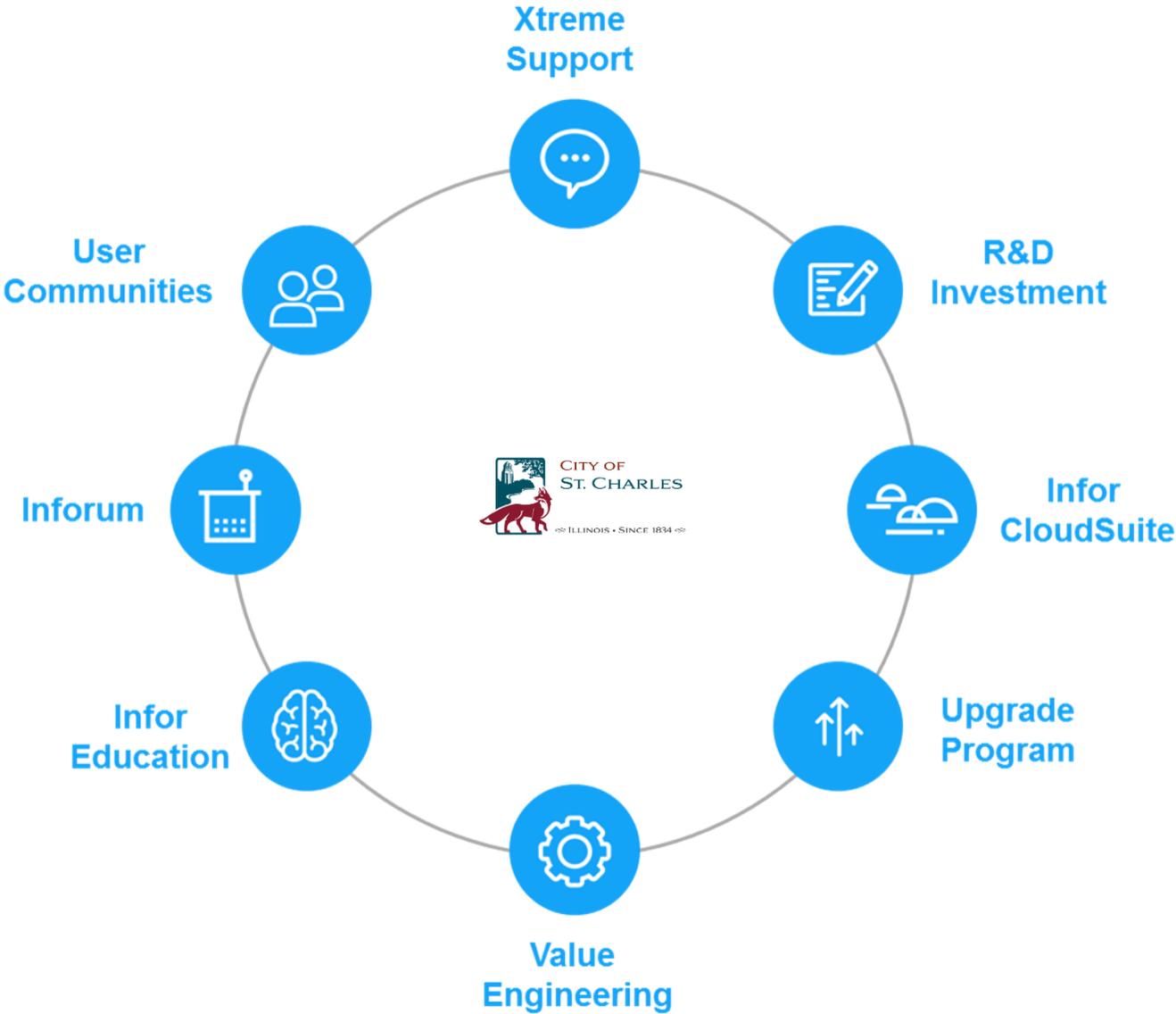
This guide will introduce you to the extensive resources that Infor has to offer, and will help you find important information quickly and easily in one location.

We look forward to building an ongoing relationship with you that brings continued success to your business.

Kind regards,

Mary Trick
Chief Customer Officer

Take advantage of all that Infor has to offer



At-A-Glance

	Xtreme Support	<p>You have options – Xtreme, Xtreme Premium and Xtreme Elite. Regardless of the plan you pick, you'll be backed by a global group of more than 1,600 support superstars all devoted to providing the most helpful and efficient support possible.</p>
	R&D Investment	<p>The cornerstone of our investment strategy is the continuous investment in our industry-leading products, tools, and services, which enables our customers to maximize the value they receive from their Infor solutions.</p>
	Infor CloudSuite	<p>Infor is committed to providing world class cloud solutions. Cloud deployment offers a host of benefits, such as lower total cost of ownership and the convenience of outsourcing maintenance, support, and upgrades.</p>
	Upgrade Programs	<p>Infor is committed to providing you with upgrade options that offer both choice and value, allowing you to get to the latest release of your solution quickly, cost-effectively, and with minimal business disruption.</p>
	Value Engineering	<p>Comprised of more than 40 management consultants and solution architects are dedicated to maximizing your benefit, the Infor Value Engineering team is here to help you map out the best path forward.</p>
	Infor Education	<p>Tap into Infor Education to master Infor products and make the most of your software investment. Equip your team with valuable training and skills that will foster smarter, faster decisions to increase productivity and reduce total cost of ownership.</p>
	Inforum	<p>Join us for three and a half days to focus on the future of enterprise software – and your business. You will have a choice of interacting with Infor experts, executives and 8,000+ customers offering 1,000+ breakout sessions.</p>
	Infor User Communities	<p>Maximize your Infor partnership by collaborating and networking with Infor users around the world, and share tips, tricks, and best practices.</p>



Xtreme Support

What is it?

Xtreme Support provides you access to the experts and tools to help keep your Infor systems running smoothly. With an intense focus on proactive support and responsiveness, Xtreme support provides Infor customers with industry-leading support with a choice of three plans:

- Xtreme
- Xtreme Premium
- Xtreme Elite

Incident management	Knowledge base	Infor Support Assistant
Quickly log, track, and monitor progress on incidents. Personalize your views and get analytics on incident history.	Easily access almost 1 billion articles and recorded briefings about hot topics, and more.	The Infor Support Assistant is a groundbreaking tool that's in tune with your Infor applications, so we can proactively help manage your issues and upgrades.

Why is it important?

- ✓ Proactive support that helps customers avoid costly issues or downtime
- ✓ Responsive support when you need it most
- ✓ Ability to leverage their Infor investment
- ✓ Benefit from industry best practices
- ✓ Stay current with the latest technology and functionality

Where can I learn more?

Click [here](#) to learn more about Xtreme Support



Infor Support plan features**

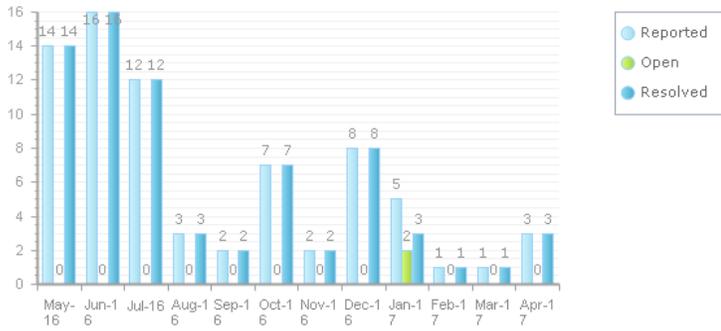
Feature categories	Features	Essential Support	Premium	Elite
Support	Unlimited Incidents	•	•	•
	Continuous online support	•	•	•
	Telephone access	•	•	•
	Remote access	•	•	•
	Dedicated Customer Success Manager			•
	Access to senior-level support and development resources			•
Responsiveness	Defined Incident response	•	•	•
	Priority Incident queuing	•	•	•
	Critical Incident support*	•	•	•
	Extended critical incident support*		•	•
	Priority plan queuing		•	•
Knowledge sharing	How-to assistance	•	•	•
	Customer communities	•	•	•
	Recorded briefings	•	•	•
	Interactive briefings		•	•
	Infor Education Incentives			•
Updates	Critical solution notification	•	•	•
	Component system updates and feature packs	•	•	•
	Component system patches and service packs	•	•	•
	Support activity reviews			•
	Early adopter program			•
Resource planning	Update planning assistance			•
	Special events support*			•

*Not available for some products.

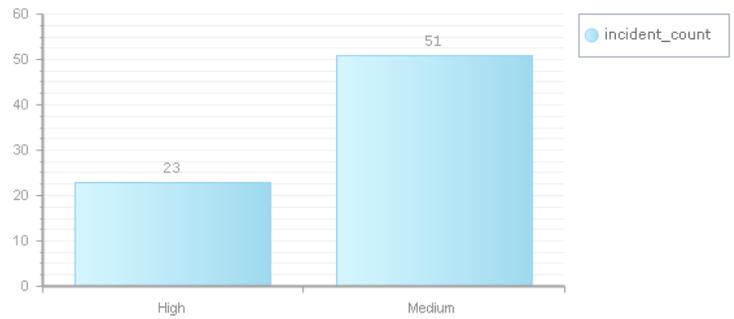
**The above Support explanations apply to all standard Support plans Infor currently offers in the normal course of its business. All Support features set forth above shall be provided in accordance with Infor's current policies and procedures.

Support Incidents submitted over the past 12 months

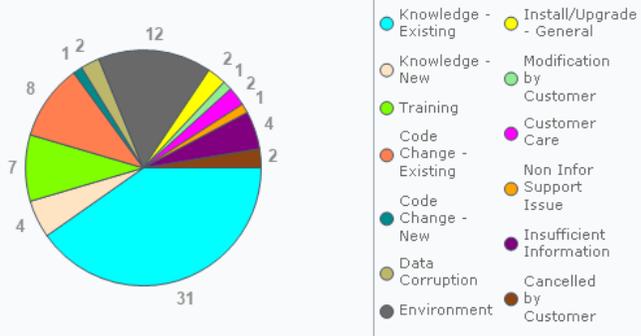
All Incidents by month - Reported, Open and Resolved



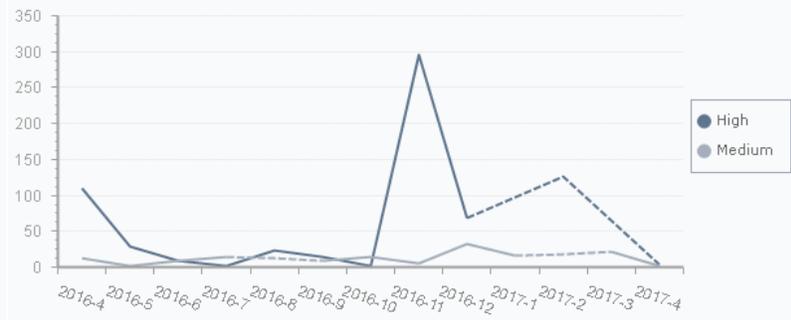
All Incidents By Severity



Incidents Resolved By Category

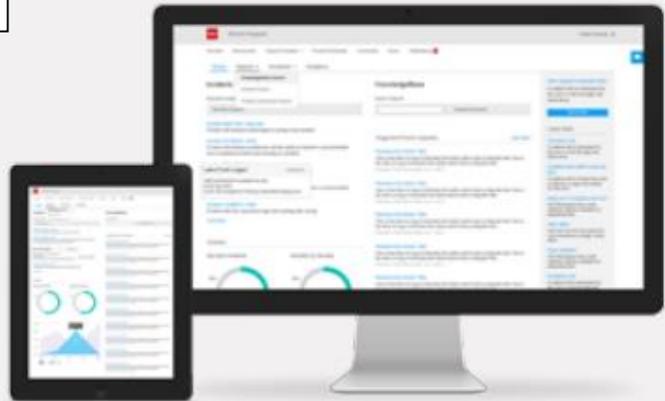


Average Days to Resolve By Severity
Average Days to Resolve: 21



Infor Xtreme Portal

8 users at City of St. Charles
downloaded 497
Knowledgebase articles over
the past 12 months



Infor Xtreme Portal

This all-in-one hub gives you instant access to everything available through Xtreme Support.



Infor Support Assistant

The Infor Support Assistant is a groundbreaking tool that's in tune with your Infor applications, so we can proactively help manage your issues and upgrades.*



Software updates and patches

Stay current on the latest updates, patches, and more, with little to no downtime. These often include statutory and regulatory updates and issue corrections.



Critical solution notifications

Receive instant notifications when resolutions to critical issues are available*.



Web chat

Ask the Xtreme Team a quick question via web chat*.



Knowledge base

Easily access almost one million how-to articles, recorded briefings about hot topics, and more.



Incident management

Quickly log, track, and monitor progress on incidents. Personalize your views and get analytics on incident history.



Customer communities

Connect with peers who have the same product, environment configuration, or industry challenges.

*Not available for some products.



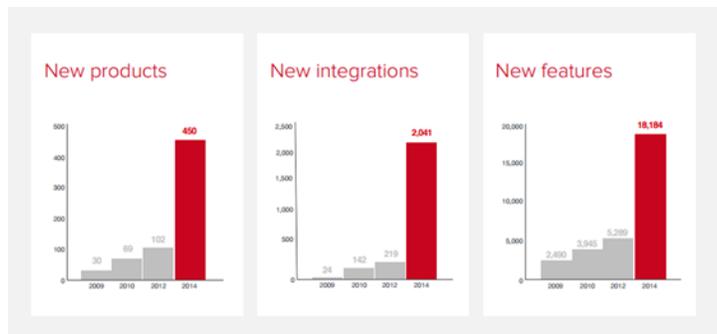
Research & Development Investment

What is it?

The cornerstone of our strategy is the continuous investment in our industry-leading products, tools and services, which enables our customers to maximize the value they receive from their Infor solutions.

Infor’s investment in R&D is directed to where our customers tell us it is most important. This collaborative process relies upon our customers’ involvement in the direction of future development:

- 80-90% of functional enhancements delivered in the last few years were consistently customer initiated
- Customers can now take advantage of our new Enhancement Request system
- Input from Advisory Groups enables us to continue delivering the market-leading solutions in our chosen segments



Why is it important?

- Ability to continually modernize your Infor solutions
- Continuous improvement in your business
- More value for your Infor maintenance investment
- Stay current with the latest functionality to ensure ongoing competitive advantage
- Allows you to focus on core competencies

Where can I learn more?

Click [here](#) to learn more about Infor’s Research and Development strategy



Infor records indicate that City of St. Charles is currently licensed on the following Infor solutions:

Infor Solution	Currently Installed	Current Release Available	Renewal Date*
HRM	10.0.6	11.0	5/31
Lawson S3	10.0.6	10.1.1	5/31



Infor Cloud Strategy

What is it?

Cloud technologies can offer your business a degree of agility and path to rapid growth that simply wasn't possible in the past. As the world's first industry cloud company Infor offers a comprehensive portfolio of solutions designed to help support a wide variety of industries and business areas. With Infor CloudSuite, you get guaranteed levels of server availability and system up-time that are both difficult and costly to replicate with internal resources. Leave the hardware, licenses, and upgrades to us.

Why is it important?

- Infor is investing in your future and a migration plan to get there
- Manage seasonal demand fluctuations for storage and computing needs paying only for what you need
- Reduce the complexity of your existing deployment landscape and decreases the burden of IT resources
- Keep your systems up-to date and more easily take advantage of innovative new technologies
- Manage growth and change effectively with a high degree of scalability

Where can I learn more?

Click [here](#) to learn more about Infor's CloudSuite strategy



Upgrade Programs

What is it?

Infor is committed to providing you with upgrade options that offer both choice and value, allowing you to get to the latest release of your solution quickly, cost-effectively, and with minimal business disruption. Customers current on Infor maintenance and support have the following options:

Move to the Cloud

There are many options available for different customer communities, such as migrating your current application to the cloud, deploying an industry CloudSuite, or using a combination of cloud and on-premise hosting.



Upgrade on premise

Many Infor customers are eligible to upgrade to the latest release of their solution as part of an Infor Support agreement. You'll benefit from the deeper functionality and beautiful new user experience that your latest release provides, have an opportunity to minimize customizations so your system is easier to support, and increase your ability to take advantage of complementary applications and innovative technologies.



Why is it important?

- You have a choice to modernize your Infor applications at your pace based on your business objectives
- When you do upgrade, Infor has a unique Transitional Support Program that helps to dramatically reduce the cost of upgrading by putting your maintenance dollars to work

Where can I learn more?

Click [here](#) to learn more about Infor upgrade options



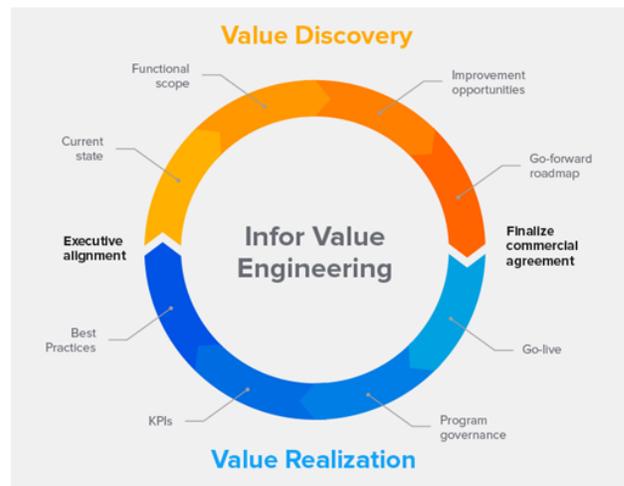
Value Engineering

What is it?

Integrated solutions accomplish long term and short term goals. To get the greatest effect from your Infor products and realize the greatest return on investment, your organization's most critical business drivers should be aligned with a sound technological strategy. Capabilities that bring the deepest value must be identified. Comprised of more than 40 management consultants and solution architects who are dedicated to maximizing your benefit, the Infor Value Engineering team is here to help you map out the best path forward.

Why is it important?

- Understand how your company compares with peer companies in the industry on your key business metrics
- Learn how to close the gaps to gain improvement in critical parts of your business
- Learn how to best leverage your Infor solutions to meet your current future business needs
- Maximize the ROI on your Infor solutions



Where can I learn more?

Click [here](#) to learn more about Infor Value Engineering



Infor Education

What is it?

You've invested in our solutions; empower your users and maximize your results. Training is the critical component needed to ensure you realize the full value of your investment and achieve unparalleled benefits for your business. Learning solutions are available for every stage of your product lifecycle with Infor, including new implementation, upgrading, or further advancement to your application. Our goal is to provide you with the right content, at the right level, at the right time.

Why is it important?

- Helps realize these benefits of Infor solutions to the greatest degree
- A well-trained team that is confident in its ability to use software will make better decisions, faster, driving higher productivity and minimizing support costs
- Reduced total cost of ownership by realizing full potential of Infor solutions

Where can I learn more?

Click [here](#) to learn more about Infor Education



Inforum

What is it?

It's been three exciting years since Infor moved its headquarters to New York's Silicon Alley. A few blocks west of our headquarters, the Javits Center will be home to Inforum 2016—where conference attendees will hear from enterprise thought leaders; preview new applications; test-drive emerging technologies; learn about noteworthy product enhancements; and enjoy live entertainment at a very special customer appreciation event.

Why is it important?

- Get first-hand updates on Infor's vision and strategy, select from a variety of education sessions and workshops
- Meet with Infor solution and support experts
- Engage with your peers
- Learn industry best practices

Where can I learn more?

Click [here](#) to learn more about Inforum 2016



Infor User Communities

What is it?

Maximize your Infor partnership by collaborating and networking with Infor users around the world, and share tips, tricks, and best practices. Infor user communities are independently led by our customers. In addition to collaboration, user community members can manage events, share content, and engage in dialogues with peers about Infor solutions. User communities are also the best way to have direct connections to Infor product management teams, which help to continually enhance features and functionality with “Enhancement Requests.” Join one of over 250 user communities, which represent more than 37 unique product groups.

Why is it important?

- Stay in tune with Infor’s strategy and direction
- Voice your top priorities for solutions investment and direction
- Meet with your peers on an on-going basis
- Learn and share industry best practices

Where can I learn more?

Click [here](#) to learn more about Infor User Communities

Recommendation Summary

	<p>Xtreme Support</p>	
	<p>R&D Investment</p>	
	<p>Infor CloudSuite</p>	
	<p>Upgrade Programs</p>	
	<p>Value Engineering</p>	
	<p>Infor Education</p>	
	<p>Inforum</p>	
	<p>Infor User Communities</p>	