



PRICE AGREEMENT

Contract for:	<u>Hosted & Managed Services for JD Edwards E1</u>	Agreement No.:	<u>20-0096</u>
Vendor Name:	<u>Denovo</u>	Contract Period:	<u>4/22/21 – 4/30/26</u>
Vendor Address:	<u>6400 Lookout Rd, Suite 101 Boulder CO 80301</u>	Vendor Contact:	<u>Aaron Webb</u>
Contract Specialist:	<u>Victoria Smith</u>	Vendor Phone:	<u>303-514-4090</u>
Contract Spec. Tele:	<u>913-971-8926</u>	Vendor Email:	_____
Requesting Dept:	<u>ITS</u>	Council Approval:	<u>4/20/21</u>
Payment Terms:	<u>Net 30</u>	Agenda Item:	<u>CA-R</u>
		Accepts City P-Card:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Contract Items:

Item	Description	5 year cost w/ HR
1	One-time transfer fee for hosting from current provider to new provider	\$0
2	Annual fee for hosting services	\$36,000
3	Monthly fee for disaster recovery	\$3,000
4	Monthly fee for Functional Managed Application Services (AMS)	\$4,500
5	Monthly fee for SQL licenses	\$1,800
		\$45,300
6	On-site at City per hour	\$160
7	E1 functional resources/hour	\$160
8	E1 Development resources/hour	\$130
9	List any specific services that you provide outside of scope with cost/hour	\$2,000
10	list development services outside of scope with cost/hour	N/A
	Total yearly	\$147,600
	Total contract	\$738,000

Service Level Agreements, Page 29 – *Resolution Time* prefer to negotiate as *Resolution Target* Denovo initially proposed “Best Effort.” All levels of severity and corresponding action presented in this table below:

Severity Level	Response Time	Escalation Threshold	Resolution Target
Severity One	15 min.	1 hour	2 hours
Severity Two	1 hour	4 hours	6 hours
Severity Three	12 hours	48 hours	16 hours
Severity Four	24 hours	72 hours	24 hours

- Award based on the 5 year cost including HR module (\$36,000) but excluding penalties for termination of services or modules before contract expires
- Modules that are removed by the City will reduce the annual fee by \$5,000/ module.

THE CITY OF OLATHE, KANSAS, acting through its City Council, contracts with the vendor named above to supply the goods or services listed in this document, as needed and as requested. The City shall have no financial obligation with this agreement until an order is placed. The Director of Economy or designee of the City of Olathe, Kansas, shall be the sole judge of the fulfillment of this contract. Upon any breach of this contract, the City shall have the option to declare this contract void. All modifications to this contract must be in writing and signed by the City’s Director of Economy or designee.

All special conditions, detailed specifications, pricing, terms, and conditions of **20-0096** apply to this price agreement. It is agreed that goods and services delivered must comply with all federal, state, or local laws, and that the contractor shall defend actions or claims brought and hold harmless the City of Olathe from loss, cost, or damage.

All prices shall be F.O.B. delivery point, unless otherwise indicated. All delivery costs, surcharges, handling, and other charges must be disclosed in writing in the contractor's solicitation response **20-0096**. The City will not pay additional surcharges without 30-day prior notification and approval of Director of Economy or designee. Payment will be made upon completion of delivery of goods or services purchased and submission of invoices to the Accounts Payable Division at apolathe@olatheks.org

City of Olathe - Kansas Tax Exemption Number: KS6XLFHVA1 Expiration Date: October 1, 2024

CITY OF OLATHE

Sarah Doherty
Chief Financial Services Officer

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made in Johnson County, Kansas, by and between the City of Olathe, Kansas, hereinafter "City," and Denovo, hereinafter "Service Provider" (collectively, the "Parties").

City is in need of certain professional services in the field of JD Edwards EnterpriseOne Hosting and CNC Managed Services for a particular project (the "Project") identified in **Exhibit A (Scope of Services)**, attached hereto and incorporated herein by reference.

Service Provider has expertise in Hosted and Managed Services and activities related to the Project as described in **Exhibit B (Fee and Rate Schedule)** attached hereto and incorporated by reference.

City contracts with Service Provider for the performing of Professional Services in connection with the Project, as described herein, in consideration of these premise and of the mutual covenants herein set forth. By executing this Agreement, Service Provider represents to City that Service Provider is qualified to perform the work on this Project and Service Provider

SECTION I - DEFINITIONS

As used in this Agreement, the following terms will have the following meanings unless otherwise stated or reasonably required by the Agreement, and other forms of any defined words will have a meaning parallel thereto.

"Additional Services" means services in addition to those listed in **Exhibit A**.

"City" means the City of Olathe, Kansas, a municipal corporation duly organized under the laws of the State of Kansas, its employees, appointees, and officers.

"Service Provider" means the company or individual identified above, herein, and its affiliates, subsidiaries, employees, agents, and assigns.

"Contract Documents" means those documents so identified in this Agreement.

"Professional Services" means the professional services, labor, materials, supplies, testing, inspection, if applicable, and all other acts, duties, and services required of Service Provider under this Agreement including any Additional Services.

"Project" is as above described.

"Project Manager" means the person employed and designated by City to act as the City's representative for the Project.

SECTION II - COMPENSATION

A. FEES & EXPENSES

Total Fee: The fees are based on the performance of the scope of services outlined in this Agreement, including **Exhibit A** attached hereto and incorporated by reference, and will be billed by Service Provider using hourly rates and equipment charges as set forth in **Exhibit B** attached hereto and incorporated by reference. All bills will be submitted to City monthly as provided herein.

B. SERVICES BEYOND THE SCOPE OF SERVICES

1. Change in Scope: For substantial modifications in authorized Project scope, previously accepted by City, when requested by City and through no fault of Service Provider, Service Provider will be compensated for time and expense required to incorporate such modifications at Service Provider's standard hourly rates per **Exhibit B**; provided, however, that any increase in fee or extension of time for Service Provider to complete the services must be approved by City in writing. Service Provider will without additional compensation when due to Service Provider's negligence or other actionable fault.
2. Additional Services: Service Provider will provide Additional Services authorized by a supplemental agreement executed in writing by the Parties. Prior to commencing any Additional Services, Service Provider must submit a proposal outlining the Additional Services to be provided, estimation of total hours, completion date, and a maximum fee based upon the hourly rate schedule attached hereto as **Exhibit B**. Such Additional Services may include, but are not limited to, making computations and determinations of special assessments, making special trips requested by City other than those required by Section III, preparing changes in plans ordered by City or made necessary by causes beyond the control of Service Provider, providing services necessitated in the event the Professional Services are suspended or abandoned, if such suspension or abandonment is not the result of a breach of this Agreement by Service Provider, and providing any other special services not otherwise covered by this Agreement which may be requested by City to complete the Project. Payment to Service Provider as compensation for Additional Services will be in accordance with the hourly rate schedule attached as **Exhibit B**.
3. Special Services: Service Provider may be called on to serve as a Service Provider or witness in any litigation, arbitration, legal or administrative proceeding arising out of this Project. If Service Provider is requested, in writing, by City, to appear as a witness, it will be paid its hourly fee as reflected on the hourly rate schedule attached hereto as **Exhibit B**. Service Provider will not be paid extra by City if Service Provider's appearance is to defend its Professional Services.

C. BILLING & PAYMENT

1. Billing: Service Provider may bill City monthly for completed Professional Services, including reimbursable expenses. The bill submitted by Service Provider must itemize the Professional Services for which payment is requested. City agrees to pay Service Provider within thirty (30) days of approval by the Governing Body or other agent of City in accordance with the City's Procurement Policy.
2. City's Right to Withhold Payment: In the event City becomes credibly informed that any representations of Service Provider provided in its monthly billing are wholly or partially inaccurate, City may withhold payment of sums then or in the future otherwise due to Service Provider until the inaccuracy and the cause thereof is corrected to City's reasonable satisfaction. In the event City questions some element of an invoice, that fact will be made known to Service Provider immediately. Service Provider will help effect resolution and transmit a revised invoice, if necessary. Amounts not questioned by City will be paid to Service Provider in accordance with the contract payment procedures.

D. SCHEDULE

Schedule for all services must be agreed upon by Service Provider and City. Schedules shall include milestones and deadlines, as necessary.

SECTION III - RESPONSIBILITIES OF SERVICE PROVIDER

Service Provider will perform the Professional Services required for the execution of the Project as described in **Exhibit A**.

A. GENERAL DUTIES AND RESPONSIBILITIES

1. Personnel: Service Provider will assign only qualified personnel to perform any service concerning the Project as identified in Service Provider's response to the Request for Proposals. At the time of execution of this Agreement, the Parties anticipate that the following individual will perform as the principal on this Project: Don Landrum. As principal on this Project, this person will be the primary contact with the City's Project Manager and will have authority to bind Service Provider. So long as the individual named above remains actively employed or retained by Service Provider, such individual will perform the function of principal on this Project.
2. Subcontracting or Assignment of Services: Service Provider may not subcontract or assign any of the Professional Services to be performed under this Agreement without first obtaining the written approval of City. Unless otherwise stated in the written consent to an assignment, no assignment will release or discharge Service Provider from any obligation under this Agreement. Any person or firm proposed for subcontracting Professional Services under this Agreement will maintain throughout the duration of the Agreement, insurance as provided in Section V.D.2. herein, and will additionally maintain

Professional Liability insurance in a minimum amount of \$1,000,000 per claim and in the aggregate and provide City with an insurance certificate showing the insurance limits provided by Service Provider's sub. Any services completed by a City-approved subcontractor of Service Provider pursuant to this Agreement may not be increased more than ten percent (10%) over the actual cost of the services.

3. Inspection of Documents: Service Provider must maintain all Project records for inspection by City at reasonable times and places upon written request during the contract period and for three (3) years from the date of final payment.
4. Standard of Care: Service Provider will exercise the same degree of care, skill, and diligence in the performance of the Professional Services as is ordinarily possessed and exercised by a professional under similar circumstances. If Service Provider fails to meet the foregoing standard, Service Provider will perform at its own cost, and without reimbursement from City, the Professional Services necessary to correct errors and omissions which are caused by Service Provider's negligence.

SECTION IV - CITY OF OLATHE'S RESPONSIBILITIES

A. COMMUNICATION

City will provide to Service Provider information and criteria regarding City's requirements for the Project; examine and timely respond to Service Provider's submissions; and give written notice to Service Provider, who will respond promptly, whenever City observes or otherwise becomes aware of any defect in the Professional Services.

B. DUTIES

City will perform the various duties and services in all phases of the Project which are outlined and designated in **Exhibit A** as City's responsibility.

C. PROGRAM AND BUDGET

City will provide all relevant information reasonably required for Service Provider to perform its obligations herein, including but not limited to City's objectives, schedule, constraints, budget with reasonable contingencies, and other necessary design criteria for the Project.

D. ADMINISTRATIVE SERVICES

City will furnish all City-related legal, accounting, insurance and audit services as may be necessary at any time for completion of the Project. However, in no event will any City-related legal, accounting, insurance and or audit services be provided on behalf of Service Provider, nor will Service Provider serve any other role than as an independent contractor of City.

E. PROJECT REPRESENTATIVE

City will designate a Project Manager to represent City in coordinating this Project with Service Provider. The City's Project Manager will have the authority to transmit instructions and decisions of City.

SECTION V - GENERAL PROVISIONS

A. TERMINATION

1. Notice: City reserves the right to terminate this Agreement for cause (due to Service Provider's failure to substantially perform its obligations hereunder by providing a fifteen (15) days' notice of such termination to Service Provider. City does not have a right to terminate this Agreement for its convenience until eighteen (18) months after this Agreement has been executed and City will provide a six (6) month written notice of such termination to Service Provider. Upon receipt of such notice from City, Service Provider will, at City's option as contained in the notice: (1) immediately cease all Professional Services; or (2) meet with City and, subject to City's approval, determine what Professional Services will be required of Service Provider in order to bring the Project to a reasonable termination in accordance with the request of City. If City defaults on its obligations under this Agreement, (due to City's failure to substantially perform its obligations under this Agreement), Service Provider must notify City by written notice of its intent to terminate and City will have fifteen (15) days from the date of the notice to cure or to submit a plan for cure acceptable to Service Provider. In no event may Service Provider terminate the contract solely for its convenience without cause.

Address for Notice:

City of Olathe
Attn: Mike Sirna
100 E. Santa Fe
P.O. Box 768
Olathe, KS 66051-0768

Denovo
Attn: David MacGrandle
6400 Lookout Road, Suite 101
Boulder, CO 80301

2. Compensation for Convenience Termination: If City terminates for its convenience as provided herein, City will compensate Service Provider for all Professional Services completed and accepted incurred to the date of its receipt of the termination notice and any additional Professional Services requested by City to bring the Project to reasonable termination. Compensation will not include anticipatory profit or consequential damages, neither of which will be allowed.
3. Compensation for Cause Termination: If City terminates for cause or default on the part of Service Provider, City will compensate Service Provider for the reasonable cost of Professional Services completed and accepted to date of its receipt of the termination notice. Compensation will not include anticipatory profit or consequential damages,

neither of which will be allowed. City also retains all its rights and remedies against Service Provider including but not limited to its rights to sue for damages, interest and attorney fees.

4. Termination for Lack of Funds: If, for whatever reason, adequate funding is not made available to City to support or justify continuation of the level of Professional Services to be provided by Service Provider under this Agreement, City may terminate or reduce the amount of Professional Services to be provided by Service Provider under this Agreement. In such event, City will notify Service Provider in writing at least thirty (30) days in advance of such termination or reduction of Professional Services for lack of funds.

B. DISPUTE RESOLUTION

City and Service Provider agree that disputes relative to the Project will first be addressed by negotiations between the Parties. If direct negotiations fail to resolve the dispute, the Party initiating the claim that is the basis for the dispute may take such steps as it deems necessary to protect its interests; provided, however, that notwithstanding any such dispute, Service Provider will proceed with the Professional Services as per this Agreement as if no dispute existed, and City will continue to make payment for Service Provider's completed Professional Services; and provided further that no dispute will be submitted to arbitration without both Parties' express written consent.

C. INSURANCE

1. General: Service Provider will maintain, throughout the duration of this Agreement, insurance (on an occurrence basis unless otherwise agreed to) of such types and in such amounts as required in **Exhibit C (City of Olathe Insurance Requirements)**. Professional Liability may be written on a "claims made" basis. Service Provider will provide certificates of insurance and renewals thereof on forms acceptable to City (**Exhibit D – Certificate of Insurance**). Service Provider is required to promptly notify City of a material change or cancellation of any policy listed on the Certificate.
2. Subcontractor's Insurance: If a part of the Professional Services under this Agreement is to be sublet, Service Provider will either (a) cover all subcontractors in its insurance policies, or (b) require each subcontractor not so covered to secure insurance which will protect subcontractor against all applicable hazards or risks of loss in the minimum amounts designated herein. If Service Provider selects option (b), then Service Provider agrees to provide the City's Risk Manager a certificate of insurance acceptable to the Risk Manager at least seven (7) days prior to allowing the subcontractor to perform any services on this Project. Service Provider agrees that any subcontractor providing services on said Project without providing a certificate of insurance acceptable to the City's Risk Manager will immediately cease all services on said Project and will assume all financial risk associated with such failure thereto.

D. INDEMNITY

1. Loss: For purposes of indemnification requirements, the term "Loss" means any and all loss, damage, liability or expense, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorney's fees and the cost of defense), in connection with any action, proceeding, demand or claim for injury, including death, to any person or persons or damages to or loss of, or loss of the use of, property of any person, firm or corporation, including the parties hereto, which arise out of or are connected with the performance of this Agreement.
2. Indemnification and Hold Harmless: For purposes of this Agreement, Service Provider agrees to indemnify, defend and hold harmless City and its agents from any and all Loss where Loss is caused or incurred as a result of the intentional misconduct, recklessness, negligence, or other actionable fault of Service Provider or its subcontractors.
3. Comparative Fault & Contributory Negligence: It is a specific element of consideration of this Agreement that the indemnity in Section V.E.2 will apply notwithstanding the joint, concurring or contributory or comparative fault or negligence of City or any Third Party and, further notwithstanding any theory of law including, but not limited to, a characterization of City's or any Third Party's joint, concurring or contributory or comparative fault or negligence as either passive or active in nature; provided, however, that Service Provider's obligation hereunder will not include amounts attributable to the fault or negligence of City or any Third Party for whom Service Provider is not responsible.
4. Damage Limitations: The indemnification obligation contained in this Agreement will not be limited by any limitation on amount or type of damages, compensation or benefits payable by or for Service Provider or its subcontractors, by the minimum insurance required by this Agreement, nor under workers' compensation acts, disability benefit acts, or other employee benefit acts.
5. Negligence by the City: Service Provider is not required hereunder to defend City or its agents from assertions that they were negligent, nor to indemnify and hold them harmless from liability based on City's negligence.
6. Limitation of Liability: IF DENOVO SHALL BE LIABLE TO THE CLIENT FOR ANY MATTER RELATING TO OR ARISING FROM THE AGREEMENT, WHETHER BASED UPON AN ACTION OR CLAIM IN CONTRACT, WARRANTY, EQUITY, NEGLIGENCE, INTENDED CONDUCT OR OTHERWISE, THE AGGREGATE AMOUNT OF DAMAGES RECOVERABLE AGAINST DENOVO WITH RESPECT TO ANY AND ALL BREACHES, PERFORMANCE, NONPERFORMANCE, ACTS OR OMISSIONS HEREUNDER, OR ANY REASON WHATSOEVER, WILL NOT EXCEED THE AGGREGATE AMOUNT OF FEES ACTUALLY PAID BY THE CLIENT TO DENOVO UNDER THE SOW PURSUANT TO WHICH DENOVO IS PERFORMING THE SERVICES OR SELLING THE PRODUCTS GIVING RISE TO SUCH BREACH.

E. AFFIRMATIVE ACTION/OTHER LAWS

1. Kansas Act Against Discrimination: During the performance of this Agreement, Service Provider agrees that:
 - a. Service Provider will observe the provisions of the Kansas Act Against Discrimination (K.S.A. 44-1001 et seq.) and will not discriminate against any person in the performance of work under the present contract because of race, religion, color, gender, disability, national origin, ancestry, or age;
 - b. in all solicitations or advertisements for employees, Service Provider will include the phrase, "equal opportunity employer," or a similar phrase to be approved by the Kansas Human Rights Commission ("commission");
 - c. if Service Provider fails to comply with the way Service Provider reports to the commission in accordance with the provisions of K.S.A. 44-1031 and amendments thereto, Service Provider will be deemed to have breached the present contract and it may be canceled, terminated or suspended, in whole or in part, by City without penalty;
 - d. if Service Provider is found guilty of a violation of the Kansas Act Against Discrimination under a decision or order of the commission which has become final, Service Provider will be deemed to have breached the present contract and it may be canceled, terminated or suspended, in whole or in part, by the contracting agency; and
 - e. Service Provider will include the provisions of subsections a. through d. in every subcontract or purchase order so that such provisions will be binding upon such subcontractor or vendor.
2. Exceptions to Applicability: The provisions of this Section will not apply to a contract entered into by City with Service Provider if (a) Service Provider employs fewer than four (4) employees during the term of such contract; or (b) Service Provider's contract with City totals Ten Thousand Dollars (\$10,000) or less in aggregate.
3. Kansas Age Discrimination in Employment Act: Service Provider further agrees and acknowledges that it will abide by the Kansas Age Discrimination In Employment Act (K.S.A. 44-1111 et seq.) and the applicable provision of the Americans With Disabilities Act (42 U.S.C. 12101 et seq.) as well as all other federal, state and local laws, ordinances and regulations applicable to this Project and to furnish any certification required by any federal, state or local governmental agency in connection therewith.

F. ENTIRE AGREEMENT

This Agreement, including all documents and exhibits included by reference herein, constitutes the entire Agreement between the parties and supersedes all prior agreements, whether oral or written, covering the same subject matter. This Agreement may not be modified or amended except in writing mutually agreed to and accepted by both Parties to this Agreement.

G. APPLICABLE LAW, JURISDICTION, AND VENUE

Interpretation of this Agreement and disputes arising out of or related to this Agreement will be subject to and governed by the laws of the State of Kansas, excluding Kansas' choice-of-law principles. Jurisdiction and venue for any suit arising out of or related to this Agreement will be in the District Court of Johnson County, Kansas.

H. NO THIRD-PARTY BENEFICIARIES

Nothing contained herein will create a contractual relationship with, or any rights in favor of, any Third Party.

I. INDEPENDENT CONTRACTOR

Service Provider is an independent contractor and not an agent or employee of City.

J. COVENANT AGAINST CONTINGENT FEES

Service Provider represents that it has not employed or retained any company or person, other than a bona fide employee working for Service Provider, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gifts, or any other consideration contingent upon or resulting from the award or making of this Agreement. For breach or violation of this representation, City may terminate this Agreement without liability or may, in its discretion, deduct from the Total Fee or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift or contingent fee.

K. COMPLIANCE WITH LAWS

Service Provider will abide by all applicable federal, state and local laws, ordinances and regulations applicable to the performance of Professional Services at the time the Professional Services are performed. Service Provider will secure all occupational and professional licenses and permits from public and private sources necessary for the fulfillment of the obligations under this Agreement and will provide City a copy of its certificate of good standing to conduct business in the State of Kansas with this Agreement (**Exhibit E**).

L. TITLES, SUBHEADS AND CAPITALIZATION

Titles and subheadings as used herein are provided only as a matter of convenience and will have no legal bearing on the interpretation of any provision of this Agreement. Some terms are capitalized throughout this Agreement but the use of or failure to use capitals has no legal bearing on the interpretation of such terms.

M. SEVERABILITY CLAUSE

If any provision of this Agreement is determined to be void, invalid, unenforceable or illegal for whatever reason, such provision(s) will be null and void; provided, however, that the remaining provisions of this Agreement will be unaffected and will continue to be valid and enforceable.

N. AMBIGUITY CLAUSE AND HIERARCHY OF INTERPRETATION

If any ambiguity, inconsistency or conflict arises in the interpretation of this Agreement, the same will be resolved by reference first to the terms and conditions of this Agreement, and any exhibits attached hereto or incorporated by reference as noted below. In the event of any conflict or inconsistency between this Agreement and its exhibits, the following hierarchy of interpretation will apply:

1. This Agreement;
2. Scope of Services (Exhibit A);
3. City's Request for Proposals (incorporated by reference);
4. Service Provider's Response to RFP (incorporated by reference).

[The remainder of this page is intentionally left blank.]

O. EXECUTION OF CONTRACT

The parties hereto have caused this Agreement to be executed this 6th day of April 2021.

CITY OF OLATHE, KANSAS

By: _____
John Bacon, Mayor

ATTEST:


City Clerk

(SEAL)

APPROVED AS TO FORM:

City Attorney/Deputy City Attorney/
Assistant City Attorney

DENOVO

By:  _____
3333F72E6D274D7...

David MacGrandle, Chief Financial Officer
6400 Lookout Road, Suite 101
Boulder, CO 80301

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OF EXHIBITS**

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EXHIBIT A

Scope of Services

Statement of Work

Statement of Work and any additional cost items not included in your hosting and CNC regular services.

Denovo recommends City of Olathe continue to host in Denovo's Private Cloud in Denver, CO as this eliminates the risk, time and the expense of migrating to another Cloud solution. Additionally we have included in our pricing the flexibility to reduce your Cloud expense should you no longer be using JD Edwards HCM and Payroll.

Foundation Service

Denovo's Foundation Service includes 24x7x365 access to the Denovo Operations Center, Denovo on Demand Customer Portal, and an assigned Customer Success Manager.

Managed Infrastructure As a Service

Denovo will provide Infrastructure As a Service to include Infrastructure, Infrastructure Management, Monitoring, Patching, Operating System Updates, Network Management, Storage Management, Security Management, Data Backups, and Data Protection.

Denovo offers this service in our Private Cloud, and Public Cloud for Oracle, Amazon, and Azure.

Disaster Recovery As a Service

Denovo will provide Disaster Recovery Services with a Recovery Point Objective ("RPO") of one hour and a Recovery Time Objective of eight (8) hours. Disaster Recovery will be provided in Denovo's Private Cloud in Philadelphia, PA. The service includes:

- Application Level Recovery
- Infrastructure As a Service
- Monitoring
- Disaster Recovery Plan
- Annual Disaster Recovery Test
- Data Backup / Replication Management
- Failover Management

Oracle Application Operations Support

Denovo will provide Oracle Application Operations Support for the JD Edwards applications which includes:

- JD Edwards Technology/CNC Application Support
- JD Edwards Database Support
- Application Monitoring
- Performance Optimization/Tuning
- Issues Resolution (Worked Yesterday, Works Today)
- Integration Support

This service is provided under a fixed fee / unlimited support model.

Application Functional Support

Denovo's functional support is designed to assist City of Olathe with maximizing their use of JD Edwards. Under this offering Denovo's JD Edwards application experts will provide unlimited JD Edwards

application support which includes How Do I, Show Me and Help Me support for JD Edwards.

This support is provided under a fixed fee / unlimited support model.

NOTE: Software Configuration, Software Development, and Business Process support is provided under our Application Enhancement Support offering.

Application Enhancement Support

Denovo will provide ten (10) hours per month of Application Enhancement Support which can be used for:

- Application Configuration
- Development Support
- New Functionality Implementation
- Process Improvement Initiatives
- Best Practices Adoption.

Application Lifecycle Support

Oracle delivers product enhancements through their continuous delivery model. Once a customer is at the 9.2 application release they are eligible to implement product updates without incurring the time and expense of a full JD Edwards upgrade. As a part of our solution Denovo will provide City of Olathe one (1) tools upgrade per year and has included as an option one (1) JDE Product Update per year.

Maintenance and Technical Support Plan

Denovo's Working Hours for support and management of JD Edwards EnterpriseOne will be provided to City of Olathe between the hours of 7:00 am –7:00 pm Mountain Time Monday through Friday, excluding public holidays, with expanded emergency support 24/7/365. The help desk is monitored 24 hours a day and calls are taken live and dispatched to appropriate personnel based on severity, capabilities, and time of day.

Denovo will provide the City of Olathe with the JD Edwards Application Operations Support. This includes the following services.

Description	Frequency	Time Period
Package Management		
Production Package Build & Deploy - Full	As Needed	Scheduled
Production Package Build & Deploy - Update	As Needed	Scheduled
Non-Production Package Build & Deploy - Full	As Needed	Scheduled
Non-Production Package Build & Deploy - Update	As Needed	Scheduled
Environment Refresh Activity		
Environment Refresh-Data	1-monthly or as needed by Client	Scheduled
Pathcode/Object Refresh-Data	Up to 2-Annually	Scheduled
ESU Application		
Installation of ESU's	As Needed	Scheduled
Technical Assistance/Troubleshooting		
Technical Assistance and Troubleshooting	As Needed	Standard Business Hours
Technical Assistance and Troubleshooting-SEV 1	As Needed	24/7
Performance Tuning and Optimization	As Needed	Standard Business Hours
Security Administration		
Security Run Time Administration	120 Annual Units	Standard Business Hours

System Administration		
OCM Maintenance, Data Source Maintenance, OCM configuration, Data Source Maintenance, Perform Impact Analysis of ESUs, OMW and OMC Configuration and troubleshooting, OMW promotions, User account management, Package management, Troubleshoot and Maintain Security (including creation/deletion of users, password resets), Maintain Job Scheduler, Job Queue configuration, Printer Setup, Work Center purging, Submitted Jobs purging, Manage service restarts, Purge appropriate logs and temp files, Menu/Solution Explorer Configuration, Development Client/Local Web Client Maintenance, System Health Checkups.	As Needed	Standard Business Hours
Vertex Tax Table Updates	As Needed	Standard Business Hours
Monitoring Services		
JD Edwards Application Monitoring. Includes the configuration of JD Edwards Server Manager, and Denovo Monitoring tools.	Ongoing	24/7
Database/Application Monitoring	Ongoing	24/7
Database Administration		
Database Backup	Nightly	24x7
Install Database Tools	One time	Standard Business Hours
Review Maintenance Jobs	Weekly	Standard Business Hours
Database Security Administration and Configuration	As Needed	Standard Business Hours
Monitoring & Alerting	Ongoing	Standard Business Hours
Database Troubleshooting	As Needed	Standard Business Hours
SQL Statement Execution	As Needed	Standard Business Hours
Monthly Database Server Health Check	1-Monthly	Standard Business Hours

As part of a Managed Services offering, Denovo provides the following Service Level Agreements. The following table shows the targets for response and resolution times for each priority level.

Description	Severity	Response Time	Escalation Threshold	Resolution Target
<p>Client's production systems are stopped or so severely impacted that Client cannot reasonably continue work. Client experiences a complete loss of service. The impacted operation is mission critical to the business and the situation is an emergency. A Severity 1 service request has one or more of the following characteristics:</p> <ol style="list-style-type: none"> 1. Environment is down and/or inaccessible by Client's End Users. 2. Data is corrupted, resulting in a complete halt to Client's business operations. 3. Environment hangs indefinitely, causing indefinite delays for critical resources or response. <p>Denovo will use reasonable efforts to respond to Severity 1 service requests within 15 Minutes. Denovo will work 24x7 until the Severity 1 service request is resolved, a reasonable work-around is put in place, or as long as useful progress can be made. Client must provide Denovo with a contact during this 24x7 period to assist with data gathering, testing, and applying fixes. Client is required to propose this severity classification with great care, so that valid Severity 1 situations obtain the necessary resource allocation from Denovo.</p>	Severity One	15 Minutes	1 Hour	2 Hours
Client experiences a severe loss of service. Important features of the production systems are unavailable with no acceptable workaround; however, operations can continue in a restricted fashion.	Severity Two	1 Hour	4 Hours	6 Hours
Client experiences a minor loss of service. The impact is an inconvenience, which may require a workaround to restore	Severity Three	12 Hours	48 Hours	48 Hours
Client requests information, enhancement, or documentation clarification regarding a Denovo Service, but there is no impact on the production systems. Client experiences no loss of service.	Severity Four	24 Hours	72 Hours	72 Hours

At the time Denovo accepts a service request, Denovo will record an initial severity level of the service request based on the above severity definitions. Denovo's initial focus, upon acceptance of a

service request, will be to resolve the issues underlying the service request. The severity level of a service request may be adjusted.

If, during the service request process, the issue no longer warrants the severity level currently assigned based on its current impact on the production systems, then the severity level will be downgraded to severity level that most appropriately reflects its current impact.

EXHIBIT B
Fee & Rate Schedule

Payment Structure

Onboarding fees will be billed due Net 30 days of the signed agreement. Monthly hosting fees will be billed due Net 30 days as well.

Expenses for any onsite work will be billed as Actuals per the Denovo Travel and Expense Policy. This also includes the appropriate GSA meal per diem rate for Olathe, KS. Any preferred hotel vendors and discounts are welcome to minimize expense.

Item #	Description	3 Year Cost Including JDE HCM/Finance	3 Year Cost Including Finance	Notes
1	One-time transfer fee for hosting from current provider to new provider	\$0	\$0	
2	Annual fee for hosting services	\$48,000	\$36,000	
3	Monthly Fee for Hosting Services	\$4,000	\$3,000	
4	Monthly fee for disaster recovery	\$1,500	\$1,200	Upgrade DR to RPO 1 hour, RTO 8 hours
5	Monthly fee for Functional Managed Application Services (AMS)	\$5,500	\$4,500	Includes Oracle Operational Support, Functional Support, one JDE Tools Release per Year, and ten hours of Enhancement Support per month.
6	Monthly fee for Microsoft SQL Server Database Licenses	\$1,800	\$1,800	
	Total Monthly Fees	\$12,800	\$10,500	
7	On-site at City of Olathe per hour	\$160	\$160	
8	E1 Functional Resources/hour	\$160	\$160	
9	E1 Development Resources/hour	\$130	\$130	
10	List any specific services that you provide outside of scope with cost per hour	\$2,000	\$2,000	Code Current Fee for one product update per year is \$2k per month or \$24k for the year.
11	List development services outside of scope with cost per hour	N/A	N/A	

EXHIBIT C
CITY OF OLATHE INSURANCE REQUIREMENTS

A. Contractor shall procure, and maintain as required, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the project. The cost of such insurance shall be included in the Contractor's proposal.

B. Coverages and minimum limits.

1. Commercial General Liability: [ISO "occurrence" form or its equivalent] \$1,000,000 per occurrence limit and products - completed operations limit. Any general aggregate limit should be at least \$2 million.
2. Business Auto Coverage: (*Owned, hired and non-owned autos*) \$1,000,000 per occurrence limit.
3. Workers Compensation and Employers Liability: Workers compensation limits as required by the statutes of the state of Kansas and employers liability limits of \$100,000/\$500,000/\$100,000. When workers compensation insurance policy is applicable "other states" coverage is required.
4. Cyber Liability including data & network liability / privacy & security liability; data breach response and cyber extortion. Limits must be no less than \$1,000,000 for each coverage and in the aggregate.
5. Coverage Limits. Coverage limits for General and Auto Liability exposures may be met by a combination of primary and umbrella policy limits.
6. Exposure Limits: The above are minimum acceptable coverage limits and do not infer or place a limit on the liability of the Contractor nor has the CITY assessed the risk that may be applicable to Contractor. Contractor shall assess its own risks and if it deems appropriate and/or prudent maintain higher limits and/or broader coverages. The Contractor's insurance shall be primary and any insurance or self-insurance maintained by the City shall be excess and not contribute with the coverage maintained by Contractor.

C. Additional Insured. The City shall be listed by ISO endorsement or its equivalent as additional insureds for the project. Any and all coverage available to the named insured is applicable to the additional insured. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

D. Verification of Coverage.

1. A certificate of insurance accompanied by an additional insured ISO form endorsement (CG 20 10; and CG 20 37) or equivalent effecting the coverage required by the City which includes products and completed operations.
2. The insurance coverages are to be provided by Kansas authorized insurance companies with a Best's rating of at least A-: VII. Those not meeting the minimum requirements must be approved by City.
3. Any self-insurance or self-insured retentions must be specified on the certificate of insurance. In addition, the name, address, and telephone number of the claims office must be indicated on the certificate or separate attached document. Any and all deductibles or self-insurance in the above describes coverages shall be the responsibility and at the sole risk of the Contractor. The City may require written guarantees for payment procedures of self-insured losses and related investigations, claims administration and cost of defense.
4. The commercial general liability policy shall not contain an endorsement excluding contractual or completed operations liability.
5. When any of the foregoing insurance coverages are required to remain in force after final payment, an additional certificate with appropriate endorsements evidencing continuation of such coverage shall be submitted along with the application for final payment.
6. Any coverage provided by a Claims-Made form policy must contain a three year tail option, extended reporting period, or must be maintained for three years post contract.

E. Cancellation. Each insurance policy required by this clause shall not be suspended, voided, or canceled by either party; except after thirty (30) days' written notice has been given to the City.

F. Sub-Contractors. All coverages for Sub-Contractors shall be subject to all of the requirements stated herein.

EXHIBIT D
Certificate of Insurance

EXHIBIT E
Certificate of Good Standing to Conduct Business in Kansas