

AGREEMENT
Electronic Purchasing System

THIS AGREEMENT, by and between Jackson County, Missouri, a Constitutional Home Rule Charter County of the State of Missouri, hereinafter referred to as **the County**, and SYSCOM, Inc., hereinafter referred to as **SYSCOM**, is made and entered into this ____ day of _____, 2000.

W I T N E S S E T H:

WHEREAS, the County wishes to purchase an Internet-based interactive procurement system for use by its Purchasing Department and potential vendors;

WHEREAS, SYSCOM has developed PublicBuy.Net, which includes an Internet-based electronic bidding module and an electronic catalog module, specifically for state and local government;

WHEREAS, SYSCOM has the skill and expertise necessary to meet the requirements specified in the County=s Request for Proposal No. 21-00 for said system, as represented in their response thereto dated March 10, 2000; now therefore, it is agreed by and between the parties as follows:

1. **Definitions**

- A. **“User friendly”** is functionality which allows an individual with a moderate level of experience with Internet-based interactive products to use the product with no formal training, through the use of graphical user interfaces and on-line help functions.
2. **“Fast”** is a reasonable lapse in time between transmissions when equipment appropriate for the volume of transmissions is used.

3. ASystem@ is the Internet-based interactive bidding module and electronic term contract catalog module.
4. AMaintenance@ are modification(s) or addition(s) to the software which establishes material conformity of the software to the functional specifications.
5. AEnhancements@ are modifications or additions to the software which materially changes its utility, functional capability, or application and are outside of the scope of the functional specifications.
6. A Atransaction@ is either a response by a vendor on a Request For Quotation (ARFQ@), or a download, by a vendor, of an Invitation For Bid (AIFB@), a Request For Information (ARFI@), or a Request For Proposal (ARFP@).
7. A Solicitation@ is an RFQ, IFB, RFI or RFP issued by the County and/or participating public agencies.

2. Services to be performed by SYSCOM

1. General requirements
 1. System operation

The system shall operate in an Internet-based interactive environment. It shall be user friendly, fast, require standardized data entry and submission, and be century compliant. The system shall be designed to allow users with disabilities to use it within the constraints of web-based applications, including the ability to use various aids or devices to assist in its use. The system shall transport documents in a secure on-line environment; authenticate users, bidders and procurement personnel; and accommodate a sealed bid process. System security shall be state of the art and comply

with Missouri and federal law.

The system shall allow multiple jurisdictions, who are system participants, to electronically develop and distribute cooperative bid requests as well as tally and award cooperative purchasing bids.

In addition, the system shall allow such jurisdictions to electronically share contracts, vendors, vendor lists, specifications and other purchasing related information generated by the system and used by buyers.

SYSCOM shall involve minority/women business enterprises (AMBE/WBE@) when feasible.

2. System documents

System documents shall include fields for all relevant information needed for a quotation request and a response in a user-friendly format. At a future date to be determined by the County, the system shall interface with the County's requisitioning system. Request for quotations shall be available to users via e-mail or download from the Internet. Bids may be submitted electronically. System documents shall be standardized and provide for the highlighting of mandatory fields as well as the use of edit checks and imbedded software to ensure input in compliance with format and bid requirements. The system shall be single data entry. County personnel, vendors and end users shall have on-line access to system documents.

3. Commodity identification

This database shall include the use of NIGP codes, link to the vendor registration database, and maintain a record history of the prices of commodities purchased.

4. Audits

The system shall protect the integrity of data and provide the system manager with tools to perform various audit functions on financial and historical data. Upon submission, all documents are instantly reviewable and may be audited. The system shall provide for unlimited audit trails and other tracking mechanisms.

5. Backups and downtime

SYSCOM shall back up data daily and weekly as well as system information on a monthly basis. System backups shall be stored in a manner designed to ensure their safety.

System maintenance shall be scheduled to minimize traffic impact. If feasible, SYSCOM will provide notice to users of emergency downtimes. SYSCOM staff will respond to emergency downtimes until 12 midnight from Monday through Friday and until 2:00 a.m. on Saturdays and Sundays, resuming service the following morning. Service shall be restored by 6:30 a.m. CST, if feasible, but shall always be restored by 8:00 a.m. CST. At least one machine will be fully functional and accessible at all times, except in the event of a catastrophic event such as a natural disaster.

SYSCOM shall establish a second geographic site with its own redundancy by the end of the three-year contract term.

Service for hardware critical to the operation of the application shall be available 24 hours a day, seven days a week. Hardware problems shall be resolved within four hours or a reasonable time pursuant to industry standards.

6. Training, documentation and support

During the demonstration period, SYSCOM shall provide sufficient training to County personnel necessary to ensure the successful operation of the application. Such training shall

take place on County premises as follows:

1. System administrators: One session of two (2) days in length for up to ten (10) people;
2. Buyers: One session of one-half (2) day in length for up to 12 people;
3. Requisitioners: One session of one-half (2) day in length for up to 12 people;
4. Trainers: One session of two (2) days in length for up to 12 people; and
5. Vendors: Two (2) sessions per month for the first six (6) months.

In addition, during the life of the contract, SYSCOM shall provide up to two more iterations of each of the following training sessions:

- (1) System administrators: One (1) session of two (2) days each for up to ten (10) people;
- (2) Buyers*: One-half (2) day for up to sixteen (16) people; and
- (3) Requisitioners*: Two (2) sessions of one-half (2) day in length for up to 16 people.

* Two sessions of (2) and/or (3) above must be scheduled in one day.

Training sessions in addition to those listed above shall be provided at the following

cost:

1. System administrators: \$4,000 per two-day class;
2. Buyers: \$1,200 per one-half day class;
3. Requisitioners: \$1,200 per one-half day class; and
4. Trainers: \$5,000 per two-day class.

SYSCOM shall supply user documentation to the County as well as to vendors during the term of the contract and any renewal periods. SYSCOM shall notify vendors on-line that user documentation is available and provide an on-line help facility.

After acceptance by the County, SYSCOM shall furnish on-site support for the first three months. SYSCOM shall make help desk support available 24 hours a day via a toll-free

telephone number for on-line assistance during the term of the contract and any renewal periods.

SYSCOM shall provide system maintenance as well as enhancements at no additional cost to the County.

2. Vendor communication

In conjunction with the County, SYSCOM shall draft an action plan to successfully market the program to the County's vendors. In addition, SYSCOM shall address questions from vendors in regard to system use and implementation.

2. Internet-based electronic bidding module

The Internet-based electronic bidding module shall provide an electronic bidding process in which the County may request for proposals (ARFPs) on line, either received via e-mail or downloaded from the Internet, and vendors may submit on-line bids in response. In addition to those requirements listed in ' II.A. herein, the bidding module must contain the following features:

1. Request for quotation and bidder response

The application shall accept secured bids up to the designated closing time, sort the bids according to specifications, provide for the export of key information from the application, and store bids in secure electronic files for easy retrieval and archival purposes. Vendor bids shall be reviewable by the County and the vendor submitting the individual bid. Vendors may not view other vendors' bids. The application shall use the County's purchase order issuance scheme.

2. Search and retrieval capabilities

The bidding application shall have search and retrieval capability such that the County or end users may retrieve either current or archived bid information, historical data, commodity

descriptions and other information requested or provided during the bidding process. The bidding application shall allow users to track the history of a contract or award through a search engine or document tracking. The bidding application shall have the ability to track vendors who use it and to sort vendors by MBE/WBE status.

The bidding application shall archive published as well as retrieved contract information for general statistical purposes. Transmissions shall not be tracked by user identity, except to the extent that a user affirmatively communicates with the County.

3. Electronic catalog module

The electronic catalog module shall provide the County with the opportunity to review current vendor information, including a full business profile, an online inventory list and service list, to determine suppliers for its term and requirements contracts and complete online purchases.

All aspects of the electronic catalog application shall be searchable. The application shall allow for the reporting of both new and archival data.

Transmissions shall not be tracked by user identity, except to the extent that a user affirmatively communicates with the County.

3. Services performed by the County

A. Personnel

The system shall minimize County personnel involvement but allow for use by County personnel from multiple locations.

1. System administration

The County shall assign a non-technical system administrator and a backup

system administrator for the bidding module. Each individual need only have journeyman level computer skills.

2. Requirements review

Appropriate County personnel shall provide, review and approve system requirements, interface specifications, and data definitions.

3. System acceptance

The Director of Purchasing, or a staff member of Purchasing so designated by the Director, shall review the system after complete integration of all customized features and determine its acceptability to the County.

4. Data validation

After SYSCOM inputs the County=s contract files, County personnel shall validate them. After initial input, the time necessary for validation shall drop to one part-time person.

5. Training

County personnel shall be available for training pursuant to the schedule outlined in ' II.A.6. herein.

2. Physical facilities

The County shall provide on-site facilities for SYSCOM=s purchasing manager during the demonstration period as well as training facilities for County personnel and vendors.

4. Conditions of acceptance

Within ten (10) days of the execution of this contract, SYSCOM shall make the system available to the County for its review and modification. The County shall evaluate the system for a

period of 90 days or of sufficient length to adequately determine if the system meets its needs. During the demonstration period, SYSCOM shall make such changes to the system as are reasonably necessary to make the system satisfactory to the County. The County shall evaluate the system according to the following criteria:

- (1) Compliance with mandatory requirements;
- (2) System performance;
- (3) Reliability;
- (4) Security;
- (5) Accuracy;
- (6) User-friendliness;
- (7) Ease of use;
- (8) Efficiency; and
- (9) Other factors relevant to County operations.

During the demonstration period, SYSCOM shall provide the County with reports detailing the current status of system operation, design, development and/or implementation. Such reports shall be submitted on at least a weekly basis. In addition, SYSCOM shall meet with the County on a regular basis, providing information prior to the meetings, to ensure County involvement in system development.

If the County accepts the system, SYSCOM shall place the system in full operational use within thirty (30) days of the County's acceptance. If the County does not accept the system, the County shall be entitled to contract with another provider for the service outlined herein.

5. Term of the contract

Upon execution, this contract shall be effective for three (3) years. The contract may be renewed at the County's option for three (3) one-year renewal periods. SYSCOM shall notify the County of the approaching expiration date of the contract and any renewal periods within six months of expiration. The County may exercise the option by written notice from the Director of Purchasing not

later than ninety (90) days before the expiration of the contract or renewal period then in effect.

6. Terms of payment

1. Vendors

1. Internet-based electronic bidding service

SYSCOM will offer vendors two options: (1) Access Service and (2) Productivity Service. Access Service allows businesses to access and respond to interactive solicitations or download bids and proposals that are not interactive from public buyers. It also notifies them of awards for which they competed. Access Service is provided free of charge to private enterprise vendors.

Productivity Service includes the functions of Access Service in addition to the following:

- § Automatic notice of business opportunities;
- § Access to historical procurement data to include awards; and
- § The ability to conduct private enterprise to private enterprise transactions.

SYSCOM will provide Productivity Service free to any vendor for the first sixty (60) days they are enrolled. Thereafter, charges may vary but shall be reasonable and may not serve as a substantial deterrence to vendors in their use of the system.

2. Electronic catalog service

SYSCOM shall charge vendors an annual registration/subscription fee for the electronic catalog service. The suggested cost is \$300 per year. This figure may be adjusted by SYSCOM and the County after acceptance of the system.

3. Other vendor costs

Syscom may charge vendors transaction or line item costs in addition to those above. Such costs shall be reasonable and may not serve as a substantial deterrence to vendors in their use of the system.

2. Revenue-sharing

Cost to the County is \$0.00. Other members of the Mid-America Regional Council (AMARC@) may have the system implemented at no cost if they choose to do so within twelve (12) months of the County=s acceptance of the system.

After the County and participating public agencies issue 2,000 solicitations every month for twelve (12) consecutive months, SYSCOM shall pay the County and participating public agencies pursuant to the following schedule:

1. \$1.00 for each solicitation between 2,000 and 2,500 solicitations per month;
2. \$1.25 for each solicitation between 2,501 and 3,000 solicitations per month;
and
3. \$1.50 for each solicitation if the County issues more than 3,000 solicitations per month.

The County reserves the right to audit SYSCOM=s financial records to assess revenue-sharing reports, either directly or through an independent auditor, for any reason deemed necessary by the County. The County shall give SYSCOM thirty (30) days notice before conducting an audit, at which time SYSCOM will make all relevant records available to the County.

C. Expenses

SYSCOM shall be responsible for all expenses associated with the installation, operation, and marketing of the system as well as the collection of fees and other administrative functions.

7. Choice of law and venue

This agreement and the parties' obligations hereunder shall be governed by the laws of the state of Missouri. Exclusive jurisdiction and venue shall be in Jackson County, Missouri.

8. Integration and modification of agreement

The terms and conditions stated herein constitute the entire agreement and understanding of SYSCOM and the County. No change, modification or waiver of any term of this agreement shall be effective unless in writing and signed by SYSCOM and the County.

9. Assignment

SYSCOM shall not assign any portion or the whole of this agreement without the prior written consent of the County.

10. Copyright, patent and trade secret infringement

SYSCOM warrants that the system installed and/or modified pursuant to this agreement is either wholly independent or does not infringe upon any third party's copyright, patent or trade secret rights.

11. Severability

If any provision of this Agreement is held invalid, illegal or unenforceable, the remaining provisions shall be enforced to the maximum extent permitted by applicable law.

WHEREFORE, the parties hereto have set their hands and seals on the date

first above written.

APPROVED AS TO FORM:

JACKSON COUNTY, MISSOURI

Jane McQueeney
County Counselor

By _____
Katheryn J. Shields
County Executive

ATTEST:

SYSCOM, Inc.

Mary Jo Brogoto
Clerk of the County Legislature

By: _____
Title: _____