

THIRD AMENDATORY AGREEMENT

THIS THIRD AMENDATORY AGREEMENT is made and entered into this ____ day of _____, 2011, by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the "City"), and **SYSCON JUSTICE SYSTEMS, INC.**, a California corporation, with its principal address at 2150 Portola Avenue, Suite D-300, Livermore, CA 94557, hereinafter referred to interchangeably as either "Syscon," "Vendor" or "Contractor." The Vendor and City maybe referred to collectively as the "Parties" or individually as a "Party."

08-167-C

WITNESSETH:

WHEREAS, the Parties entered into an Agreement dated March 11, 2008 relating to software license, support and maintenance, which Agreement was amended on May 18, 2010, and on February 28, 2011 (the "Agreement"); and

WHEREAS, the Parties wish to amend the Agreement to update the scope of work and to increase the compensation to the Contractor.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and obligations herein set forth, the Parties agree as follows:

1. Article 1 of the Agreement entitled "**SOFTWARE LICENSE, SUPPORT AND MAINTENANCE TO BE PROVIDED AND SERVICES TO BE PERFORMED**" is hereby amended to read as follows:

"1. SOFTWARE LICENSE, SUPPORT AND MAINTENANCE TO BE PROVIDED AND SERVICES TO BE PERFORMED: Vendor, under the general discretion of, and in coordination with, the City's Chief Information Officer or other designated supervisory personnel (the "Manager") agrees to provide the software (the "Software") listed on **Exhibit A** (attached to original Agreement), perform the integration services described in **Exhibit B** (attached to original Agreement) and **Exhibit B-1** (attached to Amendatory Agreement), provide the software support and interface construction services described in **Exhibits B-2 and B-3** (B-3 attached hereto) (collectively, the services described in **Exhibits B, B-1, B-2 and B-3** are referred to as the "Statement of Work" or "SOW"), and provide the software support and maintenance services describe in **Exhibit C.**"

2. Article 5 A of the Agreement entitled "**Fee**" is amended to read in its entirety as follows:

“a. **Fee:** The fee for the Software, the services described in the SOW and support is:

(i)	for the Software:	\$546,684.00
(ii)	for Services described in Exhibit B & B-1	\$1,100,550.00
(iii)	for support for the first nine months following expiry of the warranty period	\$135,622.00
(iv)	for Services described in Exhibit B-2	\$116,625.00
(v)	for Services described in Exhibit B-3	\$96,526.00
	Total:	\$1,996,007.00

(the “Fee”). The Fee shall be paid pursuant to the City’s Prompt Payment Ordinance and in accordance with Exhibit E.”

3. Article 5.D(i) of the Agreement entitled “**Maximum Contract Liability**” is hereby amended to read as follows:

D. Maximum Contract Liability:

(i) Any other provision of this Agreement notwithstanding, in no event shall the City be liable for payment for services rendered and expenses incurred by Vendor in providing the Software, the services described in the SOW or the support described in Exhibit C during the first year following the warranty period under the terms of this Agreement for any amount in excess of the sum of **\$1,996,007.00** (the “Maximum Contract Amount”). Vendor acknowledges that any work performed by Vendor beyond that specifically authorized by the City is performed at Vendor’s own risk and without authorization under this Agreement.”

4. As herein amended, the Agreement is affirmed and ratified in each and every particular.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this Third Amendatory Agreement as of the day and year first written above.

ATTEST:

CITY AND COUNTY OF DENVER:

By: _____
STEPHANIE Y. O'MALLEY,
Clerk and Recorder, Ex-Officio
Clerk of the City and County of Denver

By: _____
MAYOR

RECOMMENDED AND APPROVED:

By:  _____
Chief Information Officer

By:  _____
Director of Corrections

By:  _____
Manager of Safety

APPROVED AS TO FORM:

DAVID R. FINE, Attorney for the
City and County of Denver

REGISTERED AND COUNTERSIGNED:

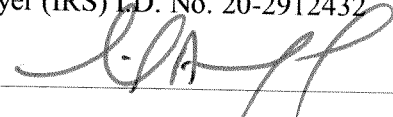
By: _____
Manager of Finance
Contract Control No. CE76012(3)

By: _____
Assistant City Attorney

By: _____
Auditor

“CITY”

SYSCON JUSTICE SYSTEMS, INC.
Taxpayer (IRS) ID. No. 20-2912432

By:  _____

Name: DANIEL A. CRAWFORD
(please print)

Title: PRESIDENT + CEO

“VENDOR”

EXHIBIT B-3



Denver Sheriff Department



Talyst Interface

Design, Implementation and Operational Support Statement of Work & Quotation

3 August, 2010

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Overview

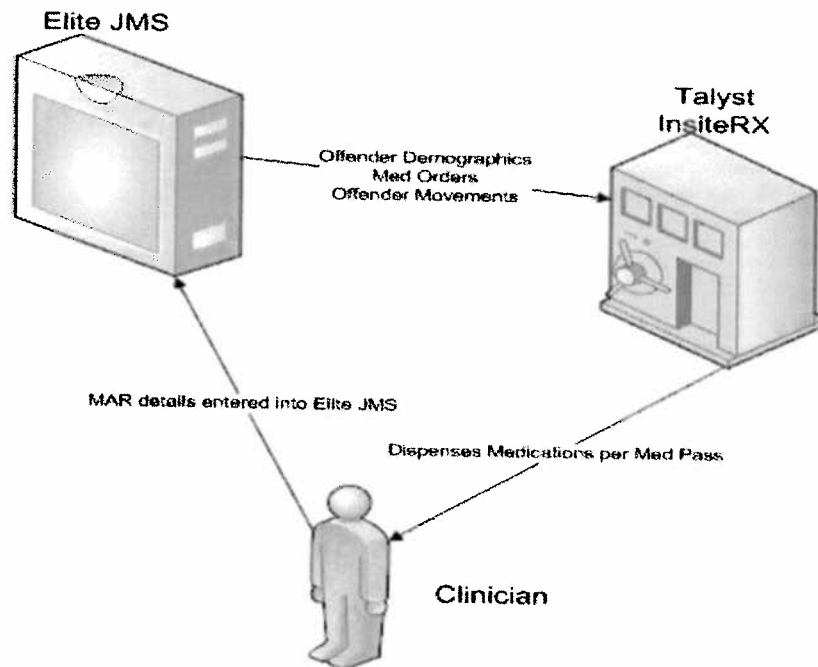
One of the most time consuming activities for Medical staff is to prepare medication for the MAR. The medication is prepared individually for each offender and at each Med Pass. By installing the Talyst InsiteRX remote dispensing system, DSD will be able to automate this process, enabling Medical staff to concentrate on other duties.

In order to enable this process to work, the Elite EHR system will need to pass inmate and medication details to the InsiteRX system, ensuring that the medication is delivered to the correct location when it is due.

Proposal Objectives

The objective of the Talyst Interface Design, Implementation and Operational Support phases is to deliver changes to Elite in order to:

- Pass offender information to the InsiteRX system, including:
 - Offender Demographic Information
 - Offender Medication Orders
 - Offender Unique Identifier i.e. CD, Book-in number or both.
 - Offenders Location
- Pass offender movement information to the InsiteRX system, including:
 - Internal bed assignments
 - Offender transfers
 - Releases



Scope

Within Scope

The following tasks are within scope for this project:

- Production of detailed software requirements for the implementation of the agreed business requirements;
- Production of software design specifications;
- Development and delivery of the system software;
- Provide support for User Acceptance Testing of the developed system software, including:
 - Issue management,
 - Defect resolution,
 - Set-up consulting;
- Production of system documentation, including user and set-up guides;
- Project Management of the project;
- Training.
- Post production support.
 - Post Production shall adhere to the existing Syscon contract

Out of Scope

The following items are out of scope for this project:

- Reports.
- Data migration.

Obligations and Constraints

None identified at this time.

Interfaces with Other Projects

This project will interface with:

- Talyst InsiteRX system.

Completion Criteria

Deliverable Acceptance

Each deliverable in this project:

- Will have objective, measurable Deliverable Acceptance Criteria defined for it, negotiated jointly by Syscon and DSD in advance of review/acceptance activity. These criteria apply only to the specific deliverable and not later/earlier deliverables.
- Be reviewed by the customer within the timeframe allocated in the Project Plan (this may involve more than one review/revise cycle). A Deliverable Variance Report will be provided to Syscon by DSD within this timeframe, and will constitute the entire list of errors/omissions/exceptions/etc. When the fixes are returned, the review/revise cycle will be repeated.
- Must be accepted before Syscon will perform any work on other deliverables dependent on the deliverable to be accepted.
- Be accepted when all Deliverable Acceptance Criteria are shown to have been met, according to the 'reasonable man' principle. Provisional acceptance, with specific exceptions, will be encouraged to prevent unnecessary project delay.
- Will be deemed accepted at the end of the allocated timeframe for review/acceptance.

Phase Completion

Syscon's Lifecycle defines Exit Criteria for each project Phase; these will be reviewed and revised as necessary to the satisfaction of both DSD and Syscon. When all Exit Criteria for a Phase are shown to have been met, according to the 'reasonable person' principle, the Phase will be deemed 'complete'.

Project Completion

The project will be deemed 'complete' when all project Phases have been deemed 'complete' (see Phase Completion).

Project Organization

This project will be managed as a standard project. A key aspect to this is the establishment of a formal project organization. This section describes the organization and roles.

The organization and structure for this project will be as follows. It is expected that this list will be updated as the project commences and stakeholders are identified.

Project Organization		
Name(s)	Role	Responsibilities
[TBD]	Executive Functional Owner	Ensures the project meets business requirements from a business perspective. Is the joint decision maker in the event of project issue occurrence. Balances the demands of business, the users and other stakeholders.
[TBD]	IC&T Executive Owner	Ensures the project meets business requirements from an IC&T perspective. Is the joint decision maker in the event of project issue occurrence. Balances the demands of business, the users and other stakeholders.
[TBD]	Executive Business Owner	Accountable for ensuring that requirements are fully and accurately specified. Must have the authority to commit or acquire the required internal resources.
Doug McFee	Senior Supplier	Represents Syscon within the project. Must have the authority to commit or acquire the required supplier resources.
Sara Harmer	DSD Program Director	The DSD Project Manager carries out day-to-day co-ordination and execution of the technical solution that interfaces with the business operation to this project, on behalf of the Project Steering Committee. The project manager ensures the balance, consistency and proper relationships between the projects and reports progress to the Project Board.
Monica King	Supplier Project Manager	Carries out the day-to-day coordination of the project on behalf of the Supplier and ensures the project is being managed according to the principles agreed.
Sgt Thomas	DSD Business Lead	Acts as the Syscon analyst's primary point of contact and facilitate access to any required DSD personnel, locations and information as in a timely manner.
Simon Freeman	Supplier Business Analyst Lead	Lead the tasks identified as in scope for the project and prepare all identified deliverables.
May Luk	Supplier Technical Lead	Leads required technical analyses and designs for inclusion in identified deliverables.

Project Plan

Syscon will prepare and maintain a detailed project plan for the project, including both Syscon & DSD tasks, and will be responsible for the management and successful provision of all Syscon-owned deliverables.

Talyst Interface SOW & Quote

Indicative Project Schedule

ID	Task Name
1	Denver Talyst Interface - Project Schedule - EST =
2	CONTINUOUS PROJECT ACTIVITIES
3	PROJECT MANAGEMENT
4	PM: project management (Forms & Interface)
5	COLLABORATION
6	COL: collaboration, meetings (non-education)
7	CONFIGURATION MANAGEMENT
8	CM: configuration management (Forms & Interface)
9	INITIAL SETUP and STARTUP
10	PROJECT START
13	ENVIRONMENTS
15	FACTORY BUILD (Forms & Interface)
16	BUILD FORMS
17	REQUIREMENTS
24	DESIGN
31	DEVELOPMENT
39	TESTING
41	REWORK
45	BUILD INTERFACE
46	REQUIREMENTS
53	DESIGN
62	DEVELOPMENT
68	QA TESTING
70	REWORK
74	FACTORY BUILD REVIEW
75	PM, TEAM: Review of factory build
76	TST: Integration Testing
77	DEPLOYMENT
78	RELEASE PACKAGE
79	CM: prepare Release package and documentation
80	CM: delivery Release package to client environment
81	CLIENT INSTALLATION and GO LIVE

Risk Management

Risks and Project Issues will be identified and included in a Project Risk Register. The Risk Register will be updated by the Syscon Project Manager throughout the project.

Effort beyond the Statement of Work

Variations from the work defined in this Statement of Work shall be approved by the current change control procedure.

Major Deliverables

The following is the list of project deliverables.

Item	Deliverable
1	Detailed Functional Requirements Specification
2	Detailed Design Specification
3	Application software
4	User and Set-Up Guides
5	Train-The-Trainer style Training (one session)
6	UAT and Configuration Support

Fixed Price Quotation for the Design and Implementation Phases1

Syscon can complete the work described in section 3 for a fixed cost of:

Item	Description	Amount
1-1	Software development services and related deliverables as defined in section 11	\$ 96,526.00
	✓ Elite to Talyst interface development	
	✓ Elite Talyst Forms development	
Amount shown in US dollars		TOTAL \$ 96,526.00

Payment Milestones

The fixed price deliverables under this SOW will be paid as follows:

Delivery of Detailed Functional Requirements Specification	20%
Delivery of Detailed Design Specification	30%
Delivery of Application and Interface software	30%
Completion of User Acceptance Testing	20%

Expenses, where applicable, shall be invoiced monthly in arrears.

Basis for Price

Estimate Assumptions

- 1) Interface with the Talyst automatic medication dispensation system to send Talyst medication pass details for each medication pass. The information will be sent based on a manual request to send med pass information. The information for the selected med pass will be sent as a batch. It will include medication, offender, and offender bed location information.
- 2) This interface will not include sending Talyst the medication administration results (i.e., the information on whether or not the medication had been given). Talyst noted an interest in receiving, but as we are the MAR, it is not considered necessary at this point.

1 Quote valid for 90 days

Talyst Interface SOW & Quote

- 3) This estimate only covers the cost of the interface between Talyst and Syscon, not the cost of sending MAR results to Talyst or any interfaces to any third party pharmacy.

General Assumptions

- 1) No travel will be required.

Approvals

When approved by Syscon Justice Systems and accepted by DSD, each Statement of Work becomes a Project.

Signed:



Name:

Doug McFee

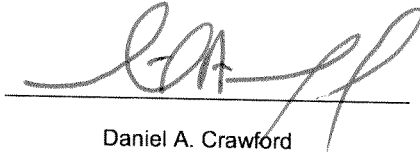
Title:

Syscon VP Delivery

Date:

Feb 4, 2011

Signed:



Name:

Daniel A. Crawford

Title:

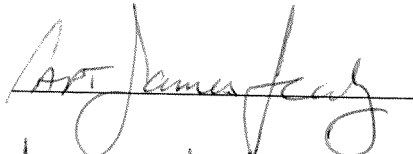
Syscon CEO/President

Date:

FEBRUARY 4, 2011

ACCEPTED:

Signed:



Name:

JAMES HENDRY

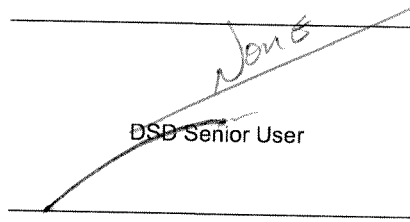
Title:

DSD Project Sponsor

Date:

2/17/11

Signed:



Name:

DSD Senior User

Date:

Talyst Interface SOW & Quote

Signed:

Signed:

Name:

None
DSD Senior Supplier

Name:

Title:

Title:

Date:

Date:
