



OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Special Meeting:	FINANCE COMMITTEE
Date/Time:	Monday, January 18, 2016 @ 4:15 PM
Location:	City Hall (407 Grant Street) - Board Room
Members:	David Oberbeck (C), Karen Kellbach, Dave Nutting, Bill Nagle, Robert Mielke

AGENDA ITEMS FOR CONSIDERATION (All items listed may be acted upon)

- 1 Discussion and possible action regarding status of work performed under contract between VSIG and City-County Information Technology Commission (CCITC) involving the purchase of assessment software
- 2 **POSSIBLE CLOSED SESSION** pursuant to Section 19.85(1)(g) Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved, relating to review of legal options available to CCITC
- 3 **RECONVENE INTO OPEN SESSION** to take any action deemed necessary on the closed session item

Adjourn

David Oberbeck, Chairperson

IMPORTANT: THREE (3) MEMBERS NEEDED FOR A QUORUM: If you are unable to attend the meeting, please notify Mary by calling (715)261-6621 or via email mary.goede@ci.wausau.wi.us

This Notice was posted at City Hall and faxed to the Daily Herald newsroom on 1/13/16 @ 2:00 pm.

Other Distribution: Media, Council (Alderspersons: Wagner, Neal, Gisselman, Winters, Rasmussen, Abitz), *Tipple, *Jacobson, *Groat, Rayala, Department Heads

Mr. Kevin Comer
Vision Government Solutions
1 Richmond Sq. #230E
Providence, RI 02906



December 10th, 2015

Dear Mr. Comer,

The City of Wausau signed an agreement to purchase and implement computerized assessment software April 30, 2014 from VGSI. VGSI signed the contract May 1, 2014. At that time the project was proposed to take 8 months to be completed. By the time that we received a project plan, the go live date was set at early March 2015. VGSI has failed to complete the project. It is now 19 months later and we still do not have a completed and functional system.

When VGSI failed to complete the project in March 2015, we met with the project manager and communicated that we had planned a full re-valuation in summer 2015 and that it was imperative that the project be completed well before that started. VGSI failed to meet that deadline. We were forced to complete the revaluation on our legacy system. After that failure, your project manager quit which again set us back. We met several times with Kristen and (later with Amy Walters) and clearly communicated that this was a very visible project within our city council and administration and it was absolutely imperative that it be done quickly and successfully. On November 6th we clearly communicated that year-end was a firm date and that any project plan showing otherwise would be unacceptable. On December 3rd, Julie Henrichs on our team at Wausau met with Amy and learned that you would not meet that date. This is completely unacceptable.

Although you continue to make progress, nothing is completed. Recently we received a third data export and we are testing that now. However, to date we have failed to see completion of the following:

- Setup of the tables to model current values similar to 2015 values
- Training for our staff on how to modify the tables as needed
- The personal property module
- An Export of PAD data that has been accepted by the state of WI DOR
- Mobile Home module
- The interface to our tax billing system

On December 3rd we were informed that the mobile application is not completed and no firm completion date was given to us. During the sale of this product to us, the mobile application was promised to be ready for us to use.

Given turnover in your organization, lack of knowledgeable development resources, and your inability to finish completely any of the other 7 state of Wisconsin systems currently in the works, we have grave doubts that VGSI has the resources and skills necessary to complete the project.

On Wednesday December 9th I communicated to Amy Walters on a teleconference call that we can wait no longer. We must have ALL aspects of this system completed by 12/31/2015. That was the date that was already communicated to VGSI earlier this fall and we are sticking with it. We expect VGSI to do the same.

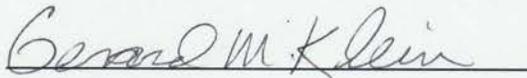
If VGSI fails to meet this deadline, we will consider VGSI in breach of contract. We will cancel the contract, expect the return immediately of any licenses fees that we have paid and will only owe VGSI for labor costs consistent with the amount of the project so far completed successfully. In any event, no further payments would be made to VGSI.

We request a rapid response to this letter confirming receipt and communicating the schedule of completion of each of the remaining tasks.

Sincerely,



Jim Tipple
Mayor
City of Wausau



Gerard M Klein
Director
City-County Information Technology Commission

 **VISION**
GOVERNMENT SOLUTIONS

December 23, 2015

Via e-mail and certified mail

City-County IT Commission
Attention: Gerald M. Klein, Director
407 Grant Street
Wausau, WI 54403

Dear Mr. Klein:

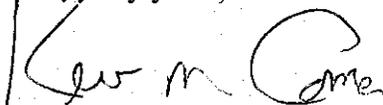
I am writing in response to your letter of December 10, 2015 regarding the Master Software Services and License Agreement between the City of Wausau and Vision Government Solutions, Inc., dated May 5, 2014.

We would like to request more time from the City in order to complete the aspects of the Agreement necessary to permit the City to perform a revaluation. We believe a delay until June 30, 2016 is necessary to assure overall project success, and remain committed to successfully satisfying our obligations with the City. In the spring, we will provide you with an updated project plan and timeline.

As you mentioned in your letter, the reasons for our delays stem in part from the fact that there is a new project manager on your project and that I am very new in my position back with Vision. This is not intended to be an excuse, but is an explanation. We understand that the City has expended significant time, energy and resources to the project; please be assured that Vision has, as well.

Please let me know if you would like to discuss this further.

Very truly yours,



Kevin M. Comer
President and CEO

cc: Jim Tipple, Mayor
Amy Walters, VP of Implementation

1/14/2016

Facts related to purchase of Computer Aided Mass Assessment software from VGSI

The existing software provider, Sungard, notified us a few years ago that they would no longer be supporting the product that Wausau uses for CAMA.

A CIP request was written and approved for \$238,500 for FY2013

An RFP was written and released in August 2014.

Responses were ranked and evaluated. Demonstrations and site visits were completed.

VGSI's solution was selected. They have a strong presence in a few eastern states. That had no presence in Wisconsin but 7 other Wisconsin municipalities were also working with them on implementations. The contract took a few months to negotiate.

A contract was signed April 30th, 2014

The vendor proposed that the project would take 8 months

By the time that we received our first project plan, the GoLive date was set for early March 2015

VGSI failed to deliver a finished project by March 2015

We explained to VGSI that we planned to do a full revaluation in summer 2015. It was made clear that we'd need everything done by June 2015.

VGSI failed to meet the June 2015 date

The revaluation was performed on the old Sungard HTE software

The project manager resigned in October 2015. A new project manager was assigned. About this time we started learning that other Wisconsin projects were at risk. Subsequently the president resigned. The head of Sales resigned. It appeared that they had a shortage of software development resources as evidenced by work not getting done.

About that time the new project manager provided a project plan showing the project finishing in early February 2016. November 6th the IT Director and project manager met with the new project manager and said that 12/31/2015 was a date that must be met. Any plan that had the project finishing later would be unacceptable. VGSI said that they'd try to get the resources necessary to meet the date. On December 3rd the project manager notified us that they would not make the date.

December 10th, 2015 Mayor Tipple and I sent a letter to the new president of VGSI clarifying the importance of being done by 12/31/2015. That letter has been provided to you. December 28th we received a response from VGSI. They said that they would give us a new project plan in "spring" that showed them finishing June 20th, 2016.

Given turnover in your organization, lack of knowledgeable development resources, and your inability to finish completely any of the other 7 state of Wisconsin systems currently in the works, we have grave doubts that VGSI has the resources and skills necessary to complete the project.

On Wednesday December 9th I communicated to Amy Walters on a teleconference call that we can wait no longer. We must have ALL aspects of this system completed by 12/31/2015. That was the date that was already communicated to VGSI earlier this fall and we are sticking with it. We expect VGSI to do the same.

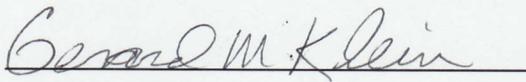
If VGSI fails to meet this deadline, we will consider VGSI in breach of contract. We will cancel the contract, expect the return immediately of any licenses fees that we have paid and will only owe VGSI for labor costs consistent with the amount of the project so far completed successfully. In any event, no further payments would be made to VGSI.

We request a rapid response to this letter confirming receipt and communicating the schedule of completion of each of the remaining tasks.

Sincerely,

A handwritten signature in cursive script that reads "Jim Tipple". The signature is written in dark ink and is positioned above a horizontal line.

Jim Tipple
Mayor
City of Wausau

A handwritten signature in cursive script that reads "Gerard M. Klein". The signature is written in dark ink and is positioned above a horizontal line.

Gerard M Klein
Director
City-County Information Technology Commission

Assessment VISION Budget

\$ 238,500.00

Description	Units	Unit price	Total Cost	Recurring Cost 2015	Recurring Costs 2016	Paid	Remaining Costs to be Paid
Appraisal Vision CAMA System License Fee	1	\$80,000.00	\$80,000.00				
Interface with Apex Sketch Tool V5	0	\$5,000.00	\$0.00				Not Doing This
Project Management	1	\$15,000.00	\$15,000.00				
Installation	1	\$2,000.00	\$2,000.00				
Export to LRS	1	\$2,400.00	\$2,400.00				
Conversion from Sungard	1	\$32,000.00	\$32,000.00				
Configuration & Testing	1	\$10,000.00	\$10,000.00				
Training	1	\$10,000.00	\$10,000.00				
Travel	8	\$1,490.00	\$11,920.00				
Marshall & Swift Cost Calculator Interface (Vision)	0	\$5,000.00	\$0.00				Not Doing This
Software Maintenance	1	\$17,600.00	\$17,600.00	\$17,600.00	\$18,304.00		
Field Data Collection System Maintenance	2	\$1,000.00	\$2,000.00	\$2,000.00	\$2,080.00		
Field Data Collection System	1	\$5,000.00	\$5,000.00				
SubTotal for Items purchased from VGSI			<u>\$187,920.00</u>			<u>\$72,284.12</u>	<u>\$91,035.00</u>
Everything below this line would be payments to other entities besides VGSI							
Marshall & Swift Commercial/Industrial	0	\$1,500.00	\$0.00	\$0.00	\$0.00		Not Doing This
Tablets	2	\$2,500.00	\$5,000.00				\$5,000.00
Tablet Software	2	\$400.00	\$800.00				\$800.00
ArcGis Engin Single use License	7	\$450.00	\$3,150.00			\$3,150.00	purchased in 2015
Marshall & Swift Commercial Estimator Maintenance	1	\$1,100.00	\$1,100.00	\$3,405.95	\$3,542.19		Paid \$3,405.95 charged to City Direct Expense
Tablet PC/Network Support	2	\$543.00	\$1,086.00		\$1,086.00		
Server Instances with SQL licenses	3	\$7,000.00	\$21,000.00		\$0.00	\$14,640.00	\$4,640 SQL Licenses (14) \$10,000 Storage (14)
Aircards	6	\$480.00	\$2,880.00	\$2,880.00	\$2,995.20		\$2,880.00
Misc Expense						\$10.14	Trainer Lunch
Contingency	1	\$5,000.00	\$5,000.00				
TOTAL			<u>227,936.00</u>	<u>25,885.95</u>	<u>28,007.39</u>	<u>90,084.26</u>	<u>\$99,715.00</u>

Budget Remaining \$ 48,700.74

* Marshall & Swift was purchased by Core Logic

Payments made to VGSI

6/16/2014 25% of contract	\$38,500
12/23/2014 32.4% of \$30,800 for installation and base setup	\$10,000
6/29/2015 paid two bills on one check; 2nd 1/3 of \$30,800 payment	\$10,000
6/29/2015 for remaining 1/3 of \$30,800 payment	\$10,800
10/19/2015 for travel and lodging	\$2,984.12
	<u>\$72,284.12</u>

Remaining Payment potential

We have received an invoice for \$30,800 on 10/31/2015 for Go Live which we have not paid
 We still would owe \$53,900 plus any additional travel at Final Acceptance