



**PURCHASING ITEM  
FOR  
COUNCIL AGENDA**

**1. Agenda Item Number:**

16

**2. Council Meeting Date:**  
February 24, 2011

**TO: MAYOR & COUNCIL**

**3. Date Prepared:** February 9, 2011

**THROUGH: CITY MANAGER**

**4. Requesting Departments:** Management Services/ Human Resources/City Manager

**5. SUBJECT:** Award a contract to Plante and Moran for external project management services for the Oracle Release 12 upgrade project in an amount not to exceed \$253,440.

**6. RECOMMENDATION:** Recommend award of a contract to Plante and Moran for external project management services for the Oracle Release 12 upgrade project in an amount not to exceed \$253,440.

**7. HISTORICAL BACKGROUND/DISCUSSION:** The City originally selected and implemented the Oracle eBusiness Suite to serve as the citywide integrated system for managing financial and human resources processes in 1998. This included the purchase and implementation of the following modules: HRMS, Fix Assets, Projects, Inventory, Purchasing, Accounts Payable, Accounts Receivable, Cash Management, Order Management, General Ledger and Payroll. Much of the system was highly customized to the City's business processes in existence at the time.

Oracle has announced that it will no longer support the software version that the City is currently running after November 2013, except for federally mandated requirements. Since the City depends on regular updates to the software for tax law changes and other system fixes and improvements, the City must remain current with a supported version of the software. The City plans to look at modifying business processes to conform to the processes built into the software wherever possible to reduce the amount of customization and make future software version upgrades much easier to implement. The City is also looking at implementing some of the modules that were not implemented during the original project but have become necessary as the City's organization has grown and transactions have become more complex.

In order to assure the processing of routine financial transactions, such as vendor payments and payroll, the upgrade must be completed by the end of November 2013, when the support for the current system ends.

Staff considered looking at solutions other than the current Oracle system. Considering the current economic climate, the cost to retrain all users in another system, and potential loss of functionality, it was determined that it would not be practical, nor cost effective.

An external project manager is necessary because IT staff are assigned to other projects during the required time to complete the upgrade, and the scope and nature of this project requires particular expertise.

There are two additional related contracts on the Council agenda for this project.

**8. EVALUATION PROCESS:** Plante and Moran was selected to provide these services because they are one of the largest national accounting and management advisory firms with extensive experience and expertise in the public sector assisting municipal clients with ERP solutions. Plante and Moran is currently assisting the City of Mesa with a similar project and are able to assist with Chandler's project simultaneously.

**9. FINANCIAL IMPLICATIONS:** Funds for this purchase are available in: 401.1285.0000.5219.11IT02.

**10. PROPOSED MOTION:** Move to approve a contract to Plante and Moran for external project management services for the Oracle Release 12 upgrade project in an amount not to exceed \$253,440.

**APPROVALS**

**11. Requesting Department**



Dawn Lang, Assistant Management Services Director

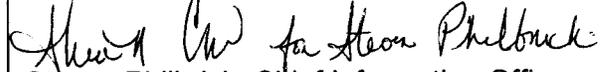
**12. Department Head**



Dennis Strachota, Management Services Director



Debbie Stapleton, Human Resources Director



Steven Philbrick, Chief Information Officer

**13. Procurement Officer**



Carolee Stees, CPPB

**14. Acting City Manager**



Rich Dlugas

**CITY OF CHANDLER  
PROFESSIONAL SERVICES AGREEMENT**

Project Name: External Project Management/Consultant Services

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of February, 2011, by and between the City of Chandler, a Municipal Corporation of the State of Arizona, hereinafter referred to as "CITY", and Plante & Moran, PLLC, hereinafter referred to as "CONSULTANT".

WHEREAS, the Mayor and City Council of the City of Chandler is authorized and empowered by provisions of the City Charter to execute contracts for professional services; and

WHEREAS, CONSULTANT represents that CONSULTANT has the expertise and is qualified to perform the services described in the Agreement.

NOW THEREFORE, in consideration of the mutual promises and obligations set forth herein, the parties hereto agree as follows:

**1. CONTRACT ADMINISTRATOR:**

1.1. To provide the professional services required by this Agreement CONSULTANT shall act under the authority and approval of the Assistant Management Services Director or designee, (the Contract Administrator), who shall oversee the execution of this Agreement, assist the CONSULTANT with any necessary information, audit billings, and approve payments. The CONSULTANT shall channel reports and special requests through the Contract Administrator.

1.2. CITY reserves the right to review and approve any/all changes to CONSULTANT'S key staff assigned to the CITY project by the firm during the term of this Agreement.

**2. SCOPE OF WORK:** CONSULTANT shall provide those services described in Exhibit B attached hereto and made a part hereof by reference.

**3. ACCEPTANCE AND DOCUMENTATION:** Each task shall be reviewed and approved by CITY to determine acceptable completion. All documents, including but not limited to, data compilations, studies, and reports which are prepared in the performance of this Agreement, shall be and remain the property of CITY and shall be delivered to CITY before final payment is made to CONSULTANT.

**4. FEE SCHEDULE:** For the services described in paragraph 2 of this Agreement, CITY shall pay CONSULTANT a fee not to exceed the sum of Two Hundred Fifty-three Thousand Four Hundred Forty dollars (\$253,440) in accordance with the fee schedule attached hereto as Exhibit B and incorporated herein by reference.

**5. TERM:** Following execution of this Agreement by CITY, CONSULTANT shall immediately commence work. Go-live must occur no later than October 17, 2011 to accommodate the City's Oracle environment and critical City processes.

**6. TERMINATION:**

**6.1. Termination for Convenience:** CITY reserves the right to terminate this Contract or any part thereof for its sole convenience with thirty (30) days written notice. In the event of such termination, CONSULTANT shall immediately stop all work hereunder, and shall

immediately cause any of its suppliers and subcontractors to cease such work. As compensation in full for services performed to the date of such termination, the CONSULTANT shall receive a fee for the percentage of services actually performed. This fee shall be in the amount to be mutually agreed upon by the CONSULTANT and CITY, based on the agreed Scope of Work. If there is no mutual agreement, the Management Services Director shall determine the percentage of work performed for each task detailed in the Scope of Work and the CONSULTANT's compensation shall be based upon such determination and CONSULTANT's fee scheduled included herein.

**6.2 Termination for Cause:** City may terminate this Contract for Cause upon the occurrence of any one or more of the following events:

- 1) If CONSULTANT fails to perform pursuant to the terms of this Agreement
- 2) If CONSULTANT is adjudged a bankrupt or insolvent;
- 3) If CONSULTANT makes a general assignment for the benefit of creditors;
- 4) If a trustee or receiver is appointed for CONSULTANT or for any of CONSULTANT'S property;
- 5) If CONSULTANT files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
- 6) If CONSULTANT disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
- 7) Where Agreement has been so terminated by CITY, the termination shall not affect any rights of CITY against CONSULTANT then existing or which may thereafter accrue.

**6.3. Availability of Funds for the next Fiscal Year.** Funds may not presently be available under this agreement beyond the current fiscal year. No legal liability on the part of the CITY for services may arise under this agreement beyond the current fiscal year until funds are made available for performance of this agreement. The CITY may reduce services or terminate this agreement without further recourse, obligation, or penalty in the event that insufficient funds are appropriated. The City Manager shall have the sole and unfettered discretion in determining the availability of funds.

**7. INDEMNIFICATION:** The Consultant agrees to indemnify, defend, and save harmless the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively; from all losses, claims, suits, actions, payments and judgments, demands, expenses, attorney's fees, defense costs, or actions of any kind and nature resulting from personal injury to any person, including employees of the Consultant or of any Sub Consultant employed by the Consultant (including bodily injury and death) or damages to any property, arising or alleged to have arisen out of the negligent performance of the Consultant for the work to be performed hereunder, except any such injury or damages arising out of the sole negligence of the City, its officers, agents or employees. IT IS THE INTENTION OF THE PARTIES to this contract that the City of Chandler, its Mayor and Council, appointed boards and commissions, officials, officers, employees, individually and collectively, are to be indemnified against their own negligence unless and except their negligence is found to be the sole cause of the injury to persons or damages to property.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

8. **INSURANCE REQUIREMENTS:** CONSULTANT shall provide and maintain the insurance as listed in Exhibit C attached hereto and made a part hereof by reference.
9. **ENTIRE AGREEMENT:** This Agreement constitutes the entire understanding of the parties and supersedes all previous representations, written or oral, with respect to the services specified herein. This Agreement may not be modified or amended except by a written document, signed by authorized representatives or each party.
10. **ARIZONA LAW:** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.
  - 10.1 Pursuant to the provisions of A.R.S. § 41-4401, the CONSULTANT hereby warrants to the City that the CONSULTANT and each of its subcontractors ("Subcontractors") will comply with all Federal Immigration laws and regulations that relate to the immigration status of their employees and the requirement to use E-Verify set forth in A.R.S. §23-214(A) (hereinafter "Contractor Immigration Warranty").
  - 10.2 A breach of the Contractor Immigration Warranty (Exhibit A) shall constitute a material breach of this Contract that is subject to penalties up to and including termination of the contract.
  - 10.3 The City retains the legal right to inspect the papers of any CONSULTANT or Subcontractor employee who works on this Contract to ensure that the CONSULTANT or Subcontractor is complying with the Contractor Immigration Warranty. The CONSULTANT agrees to assist the City in the conduct of any such inspections.
  - 10.4 The City may, at its sole discretion, conduct random verifications of the employment records of the CONSULTANT and any Subcontractors to ensure compliance with Contractors Immigration Warranty. The CONSULTANT agrees to assist the City in performing any such random verifications.
  - 10.5 The provisions of this Article must be included in any contract the CONSULTANT enters into with any and all of its subcontractors who provide services under this Contract or any subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a CONSULTANT or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.
  - 10.6 In accordance with A.R.S. §35-393.06, the CONSULTANT hereby certifies that the offeror does not have scrutinized business operations in Iran.
  - 10.7 In accordance with A.R.S. §35-391.06 the CONSULTANT hereby certifies that the offeror does not have scrutinized business operations in Sudan.
11. **CONFLICT OF INTEREST:**
  - 11.1 **No Kickback.** CONSULTANT warrants that no person has been employed or retained to solicit or secure the Agreement upon an agreement or understanding for a commission, percentage, brokerage or contingent fee; and that no member of the City Council or any employee of the CITY has any interest, financially or otherwise, in the firm unless this interest has been declared pursuant to the provisions of A.R.S. section 38-501. Any such interests were disclosed in CONSULTANT'S proposal to the CITY.
  - 11.2 **Kickback Termination.** CITY may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting

or creating the agreement on behalf of the CITY is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a CONSULTANT to any other party to the Agreement with respect to the subject matter of the Agreement. The cancellation shall be effective when written notice for CITY is received by all other parties, unless the notice specifies a later time (A.R.S. 38-511).

**11.3 No Conflict.** CONSULTANT stipulates that its officers and employees do not now have a conflict of interest and it further agrees for itself, its officers and its employees that it will not contract for or accept employment for the performance of any work or services with any individual business, corporation or government unit that would create a conflict of interest in the performance of its obligations pursuant to this project.

**12. DISPUTE RESOLUTION:**

**12.1 Alternative Dispute Resolution.** The parties hereby agree that there shall be a sixty (60) day moratorium on litigation commencing on the day that a claim is filed by CONSULTANT pursuant to A.R.S. § 12-821.01 during which time the parties will negotiate in good faith to resolve the dispute and evaluate the viability of pursuing alternative dispute resolution procedures such as mediation and arbitration.

**12.2 Arizona Law.** This Agreement shall be governed and interpreted according to the laws of the State of Arizona.

**12.3 Jurisdiction and Venue.** The parties agree that this Agreement is made in and shall be performed in Maricopa County. Any lawsuits between the Parties arising out of this Agreement shall be brought and concluded in the courts of Maricopa County in the State of Arizona, which shall have exclusive jurisdiction over such lawsuits.

**12.4 Fees and Costs.** Except as otherwise agreed by the parties, the prevailing party in any adjudicated dispute relating to this Agreement is entitled to an award of reasonable attorney's fees, expert witness fees and costs including, as applicable, arbitrator fees; provided, however, that no award of attorney's fees shall exceed ten percent (10%) of the damages awarded the prevailing party unless the non-prevailing party has been determined to have acted in bad faith or in a frivolous manner during the adjudication.

**13. NOTICES:** All notices or demands required to be given pursuant to the terms of this Agreement shall be given to the other party in writing, delivered by hand or registered or certified mail, at the addresses set forth below, or to such other address as the parties may substitute by written notice given in the manner prescribed in this paragraph.

In the case of City:  
City of Chandler  
Purchasing Division  
P.O. Box 4008, Mail Stop 901  
Chandler, AZ 85244-4008  
480.782. 2400

In the case of CONSULTANT:  
Plante and Moran, PLLC  
Adam Rujan  
27400 Northwestern Highway  
Southfield, MI 48037  
248-352-2500

Notices shall be deemed received on date delivered, if delivered by hand, and on the delivery date indicated on receipt if delivered by certified or registered mail.

**14. Management Responsibilities:** The consulting services CONSULTANT will provide are inherently advisory in nature. CONSULTANT will have no responsibility for any management decisions in connection with the engagement to provide these services. Further, CITY acknowledges that CITY is responsible for all such management decisions; for evaluating the adequacy and results of the services CONSULTANT will

provide and accept responsibility for the results of those services; and for establishing and maintaining internal controls, including monitoring ongoing activities, in connection with CONSULTANT engagement.

15. **Nature of Services:** CONSULTANT project activities will be based on information and records provided to CONSULTANT by CITY. CONSULTANT will rely on such underlying information and records and CONSULTANT project activities will not include audit or verification of the information and records provided to CONSULTANT in connection with CONSULTANT project activities.

The project activities CONSULTANT will perform will not constitute an examination or audit of any CITY's financial statements or any other items, including CITY's internal controls. This engagement also will not include preparation or review of any tax returns or consulting regarding tax matters. If CITY requires financial statements or other financial information for third-party use, or if CITY requires tax preparation or consulting services, a separate engagement letter will be required. Accordingly, CITY agrees not to associate or make reference to CONSULTANT in connection with any financial statements or other financial information of CITY. In addition, CONSULTANT engagement is not designed and cannot be relied upon to disclose errors, fraud or illegal acts that may exist. However, CONSULTANT will inform CITY of any such matters that come to CONSULTANT'S attention.

16. **Confidentiality, Ownership and Retention of Workpapers:** During the course of this engagement, CONSULTANT and CONSULTANT staff may have access to proprietary information of CITY, including, but not limited to, information regarding trade secrets, business methods, plans, or projects. CONSULTANT acknowledges that such information, regardless of its form, is confidential and proprietary to the CITY, and CONSULTANT will not use such information for any purpose other than CONSULTANT'S consulting engagement or disclose such information to any other person or entity without the prior written consent of CITY.

In some circumstances, CONSULTANT may use local or international third-party service providers or CONSULTANT affiliates to assist CONSULTANT with CONSULTANT'S engagement. In order to enable these service providers to assist us in this capacity, CONSULTANT must disclose information to these service providers that is relevant to the services they provide. Disclosure of such information shall not constitute a breach of the provisions of this agreement.

In the interest of facilitating CONSULTANT'S services to CITY, CONSULTANT may communicate or exchange data by internet, e-mail, facsimile transmission or other methods. While CONSULTANT uses best efforts to keep such communications and transmissions secure in accordance with CONSULTANT'S obligations under applicable laws and professional standards, CITY recognizes and accepts that CONSULTANT has no control over the unauthorized interception of these communications or transmissions once they have been sent, and consent to CONSULTANT use of these electronic devices during this engagement.

Professional standards require that CONSULTANT create and retain certain workpapers for engagements of this nature. All workpapers created in the course of this engagement are and shall remain the property of CONSULTANT. CONSULTANT will maintain the confidentiality of all such workpapers as long as they remain in CONSULTANT'S possession.

Both CITY and CONSULTANT acknowledge, however, that CONSULTANT may be required to make CONSULTANT'S workpapers available to regulatory authorities or by court order or subpoena. Disclosure of confidential information in accordance with

requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this agreement. In the event that a request for any confidential information or workpapers covered by this agreement is made by regulatory authorities or pursuant to a court order or subpoena, CONSULTANT agrees to inform CITY in a timely manner of such request and to cooperate with the CITY should CITY attempt, at CITY'S cost, to limit such access. This provision will survive the termination of this agreement.

CONSULTANT reserves the right to destroy, and it is understood that CONSULTANT will destroy, workpapers created in the course of this engagement in accordance with CONSULTANT'S record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of workpapers. CONSULTANT has no obligation to maintain workpapers other than for its own purposes or to meet those regulatory requirements.

Upon the CITY's written request, CONSULTANT may, at CONSULTANT'S sole discretion, allow others to view any workpapers remaining in CONSULTANT'S possession if there is a specific business purpose for such a review. CONSULTANT will evaluate each written request independently. CITY acknowledges and agrees that CONSULTANT will have no obligation to provide such access or to provide copies of CONSULTANT'S workpapers, without regard to whether access had been granted with respect to any prior requests.

- 17. Fee Estimates:** In any circumstance where CONSULTANT has provided estimated fees, fixed fees or not to exceed fees, these estimated, fixed or not-to-exceed fees are based on CITY personnel providing CONSULTANT staff the assistance necessary to satisfy the CITY'S responsibilities under the scope of services. This assistance includes availability and cooperation of those CITY personnel relevant to CONSULTANT'S project activities and providing needed information to CONSULTANT in a timely and orderly manner. In the event that undisclosed or unforeseeable facts regarding these matters causes the actual work required for this engagement to vary from CONSULTANT'S estimates, CONSULTANT'S estimated fees will be adjusted for the additional time CONSULTANT incur as a result.

In any circumstance where CONSULTANT'S work is rescheduled, CONSULTANT offers no guarantee, express or implied, that CONSULTANT will be able to meet any previously established deadline related to the completion of CONSULTANT'S work. Because rescheduling CONSULTANT work imposes additional costs on CONSULTANT, in any circumstance where CONSULTANT has provided estimated fees, those estimated fees may be adjusted for additional time CONSULTANT incurs as a result of rescheduling CONSULTANT'S work.

Any fee adjustments will be determined in accordance with the Fee Adjustments provision of this agreement.

- 18. Payment Terms:** CONSULTANT invoices for professional services are due upon receipt unless otherwise specified in this agreement. In the event any of CONSULTANT'S invoices are not paid in accordance with the terms of this agreement, CONSULTANT may elect, at CONSULTANT'S sole discretion, to suspend work until CONSULTANT receives payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, CONSULTANT offers no guarantee, express or implied, that CONSULTANT will be able to meet any previously established deadlines related to the completion of CONSULTANT'S consulting work upon resumption of CONSULTANT'S work.

19. **Fee Adjustments:** Any fee adjustments for reasons described in this agreement will be determined based on the actual time that CONSULTANT staff expend at the hourly rates stated in this agreement, inclusive of all reasonable and necessary travel and out-of-pocket costs. CITY acknowledges and agrees that payment for all such fee adjustments will be made in accordance with the payment terms provided in this agreement.
20. **Conflicts of Interest:** CONSULTANT'S engagement acceptance procedures include a check as to whether any conflicts of interest exist that would prevent CONSULTANT'S acceptance of this engagement. No such conflicts have been identified. CITY understands and acknowledges that CONSULTANT may be engaged to provide professional services, now or in the future, unrelated to this engagement to parties whose interests may not be consistent with CITY'S.
21. **Agreement Not to Influence:** CITY and CONSULTANT each agree that each respective organization and its employees will not endeavor to influence the other's employees to seek any employment or other contractual arrangement with it, during this engagement or for a period of one year after termination of the engagement. CITY agrees that CONSULTANT employees are not "contract for hire." CONSULTANT may release CITY from these restrictions if CITY agrees to reimburse CONSULTANT for its recruiting, training, and administrative investment in the applicable employee. In such event, the reimbursement amount shall be equal to two hundred hours of billings at the hourly rate stated in this agreement for the CONSULTANT employee.
22. CONSULTANT'S primary cost is salaries that are paid currently. Accordingly, CONSULTANT'S invoices, which will be rendered as services are provided are due when received. In the event an invoice is not paid timely, a late charge in the amount of 1.25 percent per month will be added, beginning 30 days after the date of the invoice.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names to this day of February 2011.

CITY OF CHANDLER

\_\_\_\_\_  
 Mayor Date

CONSULTANT

By:   
 Title: PARTNER

APPROVE AS TO FORM

\_\_\_\_\_  
 City Attorney 

ATTEST: If Corporation

\_\_\_\_\_  
 Secretary

ATTEST:

\_\_\_\_\_  
 City Clerk

SEAL

**EXHIBIT A**

**Contractor Immigration Warranty  
To Be Completed by Contractor Prior to Execution of Contract**

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of its employees.

By completing and signing this form the contractor shall attest that it and all subcontractors performing work under the cited contract meet all conditions contained herein.

<b>Contract Number: 2922 Plante &amp; Moran</b>		
<b>Name (as listed in the contract): Plante &amp; Moran, PLLC</b>		
<b>Street Name and Number: 27400 Northwestern Highway PO Box 307</b>		
<b>City: Southfield</b>	<b>State: MI</b>	<b>Zip Code: 48037</b>

I hereby attest that:

1. The contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this contract;
2. All subcontractors performing work under this contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

**Signature of Contractor (Employer) or Authorized Designee:**

\_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date (month/day/year):** \_\_\_\_\_

## EXHIBIT B SCOPE OF WORK

### Project Work Plan

#### **Project Initiation and Planning**

As part of the initiation and planning phase of the project, there are a number of project activities that will be performed to ensure that a solid foundation for moving forward has been established. The following table identifies the list of activities that CONSULTANT would anticipate occurring during the initial start-up phase of the project although they may not be performed in the exact order presented.

Activities	Deliverables / Tools	P&M Team Role
1. Define project organizational structure including roles and responsibilities for the following major project functions: <ul style="list-style-type: none"> <li>■ Executive sponsor(s)</li> <li>■ Project managers (City, vendor, external project management)</li> <li>■ Project steering committee</li> <li>■ Process teams</li> <li>■ Process team leaders and backups</li> <li>■ Communications and Change Management team</li> <li>■ Technical team to include following functions:               <ul style="list-style-type: none"> <li>○ System administrator</li> <li>○ Database administrator</li> <li>○ Configuration management coordinator</li> <li>○ Interfaces and modifications coordinator</li> <li>○ Help desk</li> <li>○ Report development</li> <li>○ Interfaces development</li> </ul> </li> <li>■ Training team</li> <li>■ Project administration</li> <li>■ Collaboration environment administrator</li> <li>■ Rights administrator(s)</li> <li>■ Facilities coordinator</li> <li>■ Testing coordinator</li> <li>■ Room and meeting scheduling coordinator</li> <li>■ Calendar coordinator</li> <li>■ Project plan management</li> <li>■ Documentation development coordinator</li> <li>■ Report development coordinator</li> <li>■ Meeting minutes coordinator</li> <li>■ Data conversion</li> <li>■ Roll-out coordinator</li> <li>■ Post implementation coordinator</li> </ul>	<ul style="list-style-type: none"> <li>■ Project Organizational Chart</li> <li>■ Roles and Responsibilities Matrix</li> </ul>	Lead

Activities	Deliverables / Tools	P&M Team Role
2. Develop a project charter that is signed by the business champion that will define the following: <ul style="list-style-type: none"> <li>■ Project title and description</li> <li>■ Project vision</li> <li>■ Project manager assigned and authority level</li> <li>■ Project objectives</li> <li>■ Project constraints</li> <li>■ Project influences</li> <li>■ Critical success factors</li> <li>■ Key project assumptions</li> <li>■ Business case for doing the project</li> <li>■ Product description and/or major deliverable</li> </ul>	■ Project Charter	Lead
3. Define the on-going system support structure to include: <ul style="list-style-type: none"> <li>■ Governance body (i.e., Executive Steering Committee)</li> <li>■ Project manager</li> <li>■ IT project lead</li> <li>■ Help desk</li> <li>■ System administrator</li> <li>■ Report development</li> <li>■ Rights administrator</li> <li>■ Database administrator</li> <li>■ Programmer/analyst</li> <li>■ Module leads</li> <li>■ Training and documentation administrator</li> </ul>	■ System Support Plan	Participate
4. Develop the project scope statement that includes the following: <ul style="list-style-type: none"> <li>■ In-scope areas, functions and activities</li> <li>■ Out-of-scope areas, functions and activities</li> <li>■ List of deliverables and timing</li> <li>■ Milestones and timing</li> </ul>	■ Scope Statement	To be included as part of the negotiated SOW with the ERP vendor and included as part of the project implementation plan developed by the Integrator
5. Develop an overall project timeline that incorporates vendor and City tasks and responsibilities.	■ Project Timeline	Participate (initial timeline to be developed by Integrator; P&M will incorporate additional City tasks and manage going forward)
6. Develop procedure for updating and reviewing project timeline including: <ul style="list-style-type: none"> <li>■ What needs to be updated</li> <li>■ Who makes the updates</li> <li>■ How frequently are the updates made and reviewed</li> <li>■ Who reviews the timeline and where</li> <li>■ What reports are generated for review</li> </ul>	■ Schedule Management Plan ■ Project Timeline	Lead
7. Determine whether there will be one centralized project plan that incorporates all tasks or whether there will be a master plan with milestones and that the individual teams are responsible for development of detailed project plans that roll-up to the master project plan.	■ Project Timeline	Lead

	Activities	Deliverables / Tools	P&M Team Role
8.	Define project deliverables and milestones and track with the following information: <ul style="list-style-type: none"> <li>■ Deliverable/milestone name</li> <li>■ Deliverable/milestone description</li> <li>■ Area of responsibility</li> <li>■ Expected due date</li> <li>■ Actual due date</li> </ul>	<ul style="list-style-type: none"> <li>■ Project Deliverables / Milestones Tracking Sheet</li> </ul>	Included as part of the project plan
9.	Complete the Stakeholder Impact Matrix that includes: <ul style="list-style-type: none"> <li>■ Stakeholder group</li> <li>■ Expectations on the outcome of the project</li> <li>■ Impact to them as a result of performing the project</li> </ul>	<ul style="list-style-type: none"> <li>■ Stakeholder Impact Matrix</li> </ul>	Participate
10.	Establish expectations on City team member commitment.		Participate
11.	Identify methods to handle additional staff workload including: <ul style="list-style-type: none"> <li>■ Staff backfill</li> <li>■ Comp time</li> <li>■ Others</li> </ul>		Participate
12.	Procure facility locations for the following purposes: <ul style="list-style-type: none"> <li>■ City project management team</li> <li>■ Vendor project management team</li> <li>■ Vendor consultant resources</li> <li>■ Consulting rooms</li> <li>■ Training rooms</li> <li>■ Testing area</li> <li>■ General meeting rooms</li> </ul>		Provide guidance as to facility requirements
13.	Conduct vendor on-boarding activities to include: <ul style="list-style-type: none"> <li>■ Background security checks, if required</li> <li>■ Acquire required badging</li> <li>■ Acquire network and email IDs, if required</li> <li>■ Determine methods for remote access to City resources</li> <li>■ Equipment needs of vendor (i.e., phones, printers, etc.)</li> </ul>		Provide guidance

Activities	Deliverables / Tools	P&M Team Role
14. Procure necessary physical and other resources for the project to include: <ul style="list-style-type: none"> <li>■ Personal computers (for training)</li> <li>■ White boards</li> <li>■ Printers</li> <li>■ Office furniture (desks)</li> <li>■ Network connections</li> <li>■ Network ID and password</li> <li>■ SharePoint access</li> <li>■ VPN access</li> <li>■ FTP site</li> <li>■ Physical security access including badge</li> <li>■ Materials and other supplies</li> <li>■ Phones</li> <li>■ Etc.</li> </ul>		Provide guidance as to other project requirements
15. Evaluate data center impact in terms of the following: <ul style="list-style-type: none"> <li>■ Air conditioning</li> <li>■ Power requirements</li> <li>■ Space requirements for new servers</li> <li>■ Other environmental requirements</li> </ul>	<ul style="list-style-type: none"> <li>■ Data Center Impact Analysis</li> </ul>	Participate
16. When multiple project management and quality assurance entities are involved, clearly define roles and responsibilities between each of the entities.	<ul style="list-style-type: none"> <li>■ Implementation Management Responsibilities Matrix</li> </ul>	Lead
17. Determine the location of the Project Calendar including: <ul style="list-style-type: none"> <li>■ Where the calendar will be located</li> <li>■ Who will be able to update the calendar and how</li> </ul>	<ul style="list-style-type: none"> <li>■ Project Calendar</li> </ul>	Lead
18. Identify the individual(s) who will be responsible for scheduling of all meetings and facilities on the project.	<ul style="list-style-type: none"> <li>■ Meeting and Room Scheduling Coordinator</li> </ul>	City responsibility
19. Review "lessons learned" from previous projects and those gathered by the client from their previous experiences.	<ul style="list-style-type: none"> <li>■ Lessons Learned</li> </ul>	Lead
20. Describe the anticipated project life cycle to the various project participants and the stages that the project will go through.		Lead
21. Define and discuss client expectations of what is to be expected during the project and once the project is completed for each of the functional areas and executive sponsors.	<ul style="list-style-type: none"> <li>■ Client Expectations</li> </ul>	Lead
22. Develop a list of how the client will define project success (be as specific and tangible as possible with quantifiable measures).	<ul style="list-style-type: none"> <li>■ Client Success Characteristics</li> </ul>	Lead

	Activities	Deliverables / Tools	P&M Team Role
23.	Identify all costs required to implement the system including: <ul style="list-style-type: none"> <li>■ Hardware (desktop, server, printers, storage, peripherals, etc.)</li> <li>■ Software (application, database, reporting, utilities, etc.)</li> <li>■ Communications</li> <li>■ Services / staff (training, consulting, process redesign, project mgmt, travel and lodging, etc.)</li> <li>■ Other cost areas (facilities, project perqs, travel for internal staff, technical training for IT staff, admin support, staff overtime, internal staff time, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>■ Estimated Budget</li> </ul>	Participate
24.	Determine what costs are going to be tracked and charged to the project and how they will be charged including staff time.		City decision to be made
25.	Procure budget sources for project.		City responsibility
26.	Develop a projected cash flow for the project.	<ul style="list-style-type: none"> <li>■ Cash Flow Matrix</li> </ul>	Lead
27.	Define the templates, tools and a process for budget monitoring including: <ul style="list-style-type: none"> <li>■ What is tracked</li> <li>■ Who is responsible for tracking</li> <li>■ Where is it tracked</li> <li>■ How often is it reported</li> </ul>	<ul style="list-style-type: none"> <li>■ Budget Monitoring Tool</li> <li>■ Cost Management Plan</li> </ul>	Lead
28.	Conduct a project risk assessment session to define: <ul style="list-style-type: none"> <li>■ Risk scenario</li> <li>■ Risk trigger</li> <li>■ Controllability of risk</li> <li>■ Probability of risk occurring</li> <li>■ Risk impact (quantitative and qualitative)</li> <li>■ Mitigation factors</li> <li>■ Contingencies if the risk occurs</li> <li>■ Risk owner</li> </ul>	<ul style="list-style-type: none"> <li>■ Project Risk Assessment Matrix</li> </ul>	Lead
29.	Define procedure for on-going project risk management including: <ul style="list-style-type: none"> <li>■ How often it is reviewed and updated</li> <li>■ Who is responsible for monitoring and updating risks</li> </ul>	<ul style="list-style-type: none"> <li>■ Risk Management Plan</li> <li>■ Risk Tracking Database</li> </ul>	Lead
30.	Define a process for acceptance of project deliverables.	<ul style="list-style-type: none"> <li>■ Deliverable Acceptance Form</li> </ul>	Lead
31.	Define the templates, tools and a process for tracking issues and action items including: <ul style="list-style-type: none"> <li>■ How are action items identified</li> <li>■ How and where action items are logged</li> <li>■ Who is responsible for tracking and resolving action items</li> <li>■ Frequency of reviewing the open action items list and who is involved in the review</li> </ul>	<ul style="list-style-type: none"> <li>■ Issues and Action Items Database</li> </ul>	Lead

	Activities	Deliverables / Tools	P&M Team Role
32.	Define the templates, tools and a process for meeting management including: <ul style="list-style-type: none"> <li>■ Meeting protocol</li> <li>■ Template for documenting meeting minutes</li> <li>■ Definition as to how meeting minutes are archived</li> <li>■ Definition of how often teams should meet</li> </ul>	<ul style="list-style-type: none"> <li>■ Meeting Minutes Summary Form</li> <li>■ Meeting Protocol</li> <li>■ Meeting Frequency</li> </ul>	Lead
33.	Define the templates, tools and a process for status reporting including: <ul style="list-style-type: none"> <li>■ Who needs to develop status reports</li> <li>■ How often are status reports developed</li> <li>■ Where and who reviews status reports</li> </ul>	<ul style="list-style-type: none"> <li>■ Status Report Template</li> <li>■ Status Report Frequency</li> </ul>	Lead
34.	Define the templates, tools and a process for initiating, reviewing, approving and tracking of change orders that may include impacts to cost, time and scope.	<ul style="list-style-type: none"> <li>■ Change Order Form</li> <li>■ Change Order Summary Form</li> <li>■ Change Management Plan</li> </ul>	Lead
35.	Determine who is responsible for the scheduling of rooms and staff for technical and consulting resources and coordinating these activities with the vendor.	<ul style="list-style-type: none"> <li>■ Room Scheduling Coordinator</li> </ul>	City responsibility
36.	Document the following with respect to decision-making on the project: <ul style="list-style-type: none"> <li>■ How are decisions to be made</li> <li>■ Who needs to review decisions</li> <li>■ How are decisions documented</li> </ul>	<ul style="list-style-type: none"> <li>■ Decision-Making Log</li> <li>■ Decision-Making Process</li> </ul>	Participate
37.	Define project procurement procedures including: <ul style="list-style-type: none"> <li>■ How project purchases are processed</li> <li>■ Who handles project purchases</li> <li>■ What purchases are tracked and by whom</li> </ul>	<ul style="list-style-type: none"> <li>■ Procurement Management Plan</li> </ul>	City responsibility
38.	Develop a Communications Management Plan that documents the methods for gathering, storing and distributing various types of project information.	<ul style="list-style-type: none"> <li>■ Communications Management Plan</li> </ul>	Participate
39.	Define the communications needs of the various project stakeholders to include: <ul style="list-style-type: none"> <li>■ Stakeholder group</li> <li>■ Information needs</li> <li>■ Methods / tools to satisfy those needs</li> </ul>	<ul style="list-style-type: none"> <li>■ Stakeholder Communication Needs</li> </ul>	Participate
40.	Develop and implement a Project Collaboration Center: <ul style="list-style-type: none"> <li>■ Define information to be tracked</li> <li>■ Define structure of collaboration environment</li> <li>■ Define collaboration administrator</li> <li>■ Implement structure</li> </ul>	<ul style="list-style-type: none"> <li>■ Project Collaboration Center</li> </ul>	Lead (use of SharePoint tool provided by P&M for use by the project)
41.	Determine and define a Quality Management Plan and Quality Review process for the project.	<ul style="list-style-type: none"> <li>■ Quality Management Plan</li> <li>■ Quality Review Process</li> </ul>	Lead
42.	Determine whether any team development activities will be conducted during the project.	<ul style="list-style-type: none"> <li>■ Team Development Activities</li> </ul>	Participate

	Activities	Deliverables / Tools	P&M Team Role
43.	Develop an overall Project Management Plan the incorporates many of the areas above	■ Project Management Plan	Lead
44.	Conduct a project kick-off meeting to include the following: <ul style="list-style-type: none"> <li data-bbox="224 346 873 409">■ Provide an overview of the project including reasons for the project</li> <li data-bbox="224 409 873 472">■ Describe how the project is organized including roles and responsibilities</li> <li data-bbox="224 472 873 504">■ Define how success will be achieved</li> <li data-bbox="224 504 873 535">■ Describe how the project will operate</li> <li data-bbox="224 535 873 577">■ Define the project timeline</li> </ul>	■ Project Kick-Off Meeting, agenda and presentation	Participate

## Project Execution and Controlling

Upon completion of the initiation and planning phases of the project, the project will migrate to an execution and controlling phase in which the project tasks defined during the planning phases will be performed. In essence, this phase of the project is where the large majority of activities and time will be spent managing and controlling the project. CONSULTANT would anticipate the following activities being performed in this phase of the project:

Activities	Deliverables / Tools	P&M Team Role
<b>System Installation and Configuration</b>		
1. Prepare site for system installation.		Integrator and City responsibility
2. Define database and code environments to install and configure (e.g., test, training, production).	■ Defined Environments	Participate
3. Define hardware specifications for both desktop and server environment that includes the maximum requirements for all software being used including 3 <sup>rd</sup> party software.	■ Hardware Specifications	Participate
4. Procure hardware.	■ Procured Hardware	City responsibility
5. Install and conduct hardware configuration.	■ Installed Hardware	Review results
6. Install and conduct software configuration.	■ Installed Software	Review results
7. Acquire, install and configure any other physical items (printers, desktop hardware and software, etc.).		Review results
8. Define and document process for deployment of client installs.	■ Client Deployment Process	Review
9. Define and document configuration management processes and coordinator.	■ Configuration Management Process	Review results
10. Document installed technical environment.	■ Documented Technical Environment	Review results
11. Document technical installation process that is unique to the client environment.	■ Documented Installation Process	Review results
12. Define FTP site for transferring of large files between the client and vendor.	■ FTP site	City responsibility
13. Define and develop Disaster Recovery Plan.	■ Disaster Recovery Plan	Review
<b>Meetings and Status Reporting</b>		
14. Conduct team leads meeting.		Lead
15. Conduct project management status meetings.		Lead
16. Conduct Project Executive Steering Committee meetings.		Lead
17. Conduct ad-hoc meetings, as needed.		Lead/Participate
18. Document and archive meeting minutes.	■ Meeting Minutes	Lead/Participate
19. Prepare and present project status reports including weekly and monthly reports.	■ Status Reports	Lead

Activities	Deliverables / Tools	P&M Team Role
<b>Budget Management</b>		
20. Track project costs.		Lead
21. Prepare and present budget status reports on the project.	■ Budget Status Reports	Lead
<b>Process Mapping and Redesign</b>		
22. Identify processes to be mapped and redesigned.	■ Processes and sub-processes	Participate
23. Identify process for reviewing and approving recommendations for redesigned processes.		Participate
24. Schedule process mapping and redesign sessions.		City responsibility
25. Conduct process mapping and redesign activities.	■ Current process maps ■ Redesigned Processes	Integrator to lead. P&M to monitor results.
26. Implement redesigned processes.	■ Redesigned Processes	Integrator to lead with participation from City staff. P&M to review results.
27. Execute changes to policies and procedures resulting from process redesign sessions.	■ Policy and Procedural Modifications	City to identify and lead this effort.
<b>Change Management</b>		
28. Develop and implement a Communications and Change Management Plan.	■ Communications & Change Mgmt Plan	Participate
29. Identify major project milestones and how these can be celebrated by the project.		Participate
30. Develop and Implement a Workforce Transition Plan.	■ Workforce Transition Plan	Participate
31. Execute Communications and Change Management Plan.		Participate
<b>Project Administration</b>		
32. Maintain and manage the Issues and Action Items Log.	■ Issues and Action Items Log	Lead
33. Maintain and manage the Decision Log.	■ Decision Log	Lead
34. Maintain and manage the overall project schedule.	■ Project Schedule	Lead
35. Monitor progress related to completion of interface development, report development, data conversion, training, testing and other major components of the project.		Lead
36. Maintain and manage the individual team schedules.	■ Project Schedule	Joint lead with integrator.
37. Monitor completion of team homework assignments.		Lead.
38. Identify, initiate, review and track change order activity.		Review and recommend

Activities	Deliverables / Tools	P&M Team Role
39. Prepare project communications.		Lead/Participate
40. Resolve project issues.		Lead/Participate
41. Manage project staffing issues.		Participate
42. Assign and coordinate resources to conduct project activities.		Participate
43. Coordinate logistics around staff, vendor and facilities scheduling.		Participate
44. Schedule technical and application consulting sessions.		City responsibility.
<b>Quality Assurance</b>		
45. Monitor compliance of vendor(s) to their contract(s).		Lead
46. Monitor the overall status of the project and raise issues to the appropriate level within the project.		Lead/Participate
47. Review and comment, as needed, on the overall project timeline.		Lead
48. Monitor and report on project risks.		Lead
49. Review and approve/deny all vendor invoices.	<ul style="list-style-type: none"> <li>■ Vendor Invoices</li> <li>■ Memo of Approval/Denial</li> </ul>	Lead
50. Conduct bi-monthly Quality Review sessions between the Client and Software Vendor.	<ul style="list-style-type: none"> <li>■ Quality Review Feedback Form</li> </ul>	Lead
<b>Security</b>		
51. Define security and workflow administrators.		City responsibility
52. Conduct training for security and workflow administrators.		Integrator responsibility
53. Define security needs.		City responsibility
54. Implement security classes.		City responsibility
55. Assign staff to security classes.		City responsibility
<b>Modifications, Interfaces and Forms</b>		
56. Determine application modifications, interfaces and forms required.		Negotiated as part of contract with ERP vendor.
57. Confirm modifications, interfaces and forms requirements.		Participate
58. Develop modifications, interfaces and forms.		Integrator responsibility
59. Test and deploy modifications, interfaces and forms.		City responsibility
<b>Reporting</b>		
60. Define required custom reports.		Participate
61. Review and prioritize custom report requests.		Participate

Activities	Deliverables / Tools	P&M Team Role
62. Develop custom report specifications.		Integrator to develop with City to review
63. Develop, test and implement custom reports.		Integrator and City staff
<b>Testing</b>		
64. Define testing processes to conduct to include: <ul style="list-style-type: none"> <li>■ Static environment testing</li> <li>■ System testing</li> <li>■ Stress testing</li> <li>■ User acceptance testing</li> <li>■ Integration testing</li> </ul>		Participate
65. Define test coordinator and role.		Participate
66. Develop mechanism in which to track test issues.		Lead
67. Develop test packets and scenarios as part of testing.		Participate
68. Conduct various levels of testing.		Review results
69. Resolve issues discovered during testing.		Review results
<b>Software Vendor Consulting</b>		
70. Conduct software consulting sessions.		Integrator to conduct with City staff
<b>Training and Documentation</b>		
71. Develop mechanism for tracking of attendees at the training sessions.		Provide template to City training team to track
72. Define training curriculum(s).	■ Training curriculum	Review results
73. Identify trainers.	■ Trainers	Review results
74. Identify training locations.	■ Training locations	City responsibility
75. Procurement training equipment.		City responsibility
76. Develop training material.	■ Training Material	Review results
77. Schedule training sessions.		City responsibility
78. Copy and distribute training material.		Integrator and City responsibility
79. Prepare training classrooms.		Integrator and City responsibility
80. Conduct training sessions.		Review results
81. Define and develop decentralized end-user documentation.		Review results
82. Define and develop centralized user documentation.		Review results
83. Define and develop technical support documentation.		Review results
<b>Data Conversion</b>		

	Activities	Deliverables / Tools	P&M Team Role
84.	Confirm data conversion requirements.		Negotiated as part of Integrator contract
85.	Develop data conversion maps.	■ Data Conversion Maps	Review results
86.	Develop data conversion programs.	■ Data Conversion Programs	Integrator responsibility
87.	Extract data from legacy systems and send to vendor.		City responsibility
88.	City to receive, load and reconcile converted data.		City responsibility
89.	Archive legacy data for historical reporting.		Participate in design of solution. Review results.
90.	Conduct data conversion clean-up.	■ Converted Data	Review results.
<b>Go-Live Activities</b>			
91.	Develop a transition strategy.	■ Transition Strategy	Joint Lead with Integrator
92.	Develop and execute go-live checklist.	■ Go-Live Checklist	Lead
93.	Define vendor support requirements both on-site and off-site for the go-live period and shortly thereafter. This would include support for integrated third-party products.		Participate
94.	Go-Live.		Review results

## Project Closing and Post Implementation Support

Upon completion of the executing and controlling phases of the project, the project will transition to a project closing and transition to support phase in which much of the time will be spent on resolving go-live issues and transitioning from an implementation to an on-going operational state of the system. We will provide 6 weeks of post go-live assistance to coincide with the project go-live date of October 17, 2011. CONSULTANT would anticipate the following activities being performed in this phase of the project:

	Activities	Deliverables / Tools	P&M Team Role
1.	Identify post-implementation team activities that still require resolution.		Lead
2.	Develop a post-implementation project plan.	■ Post-Implementation Plan	Participate
3.	Define vendor post go-live support requirements both on-site and offsite.		Participate
4.	Transition City from implementation to support.		Participate
5.	Develop a transition plan from the vendor to the client.	■ Transition Plan	Lead
6.	Develop and document on-going system support procedures.	■ On-Going System Support Procedures	Participate
7.	Develop and execute a script of activities to prepare for and conduct year-end fiscal cut-over.	■ Year-end cutover checklist	Review
8.	Determine who will maintain issues log for each of the teams and at a PMO level.		Participate
9.	Determine who will be monitoring error logs for the system on a regular basis.		Participate
10.	Finalize the on-going support structure including roles and responsibilities of the different stakeholders.		Participate
11.	Become involved in the vendor's user group.		City responsibility
12.	Archive project records.		Participate
13.	Close-out all contracts.		Participate
14.	Conduct debriefing sessions on the product and services portion of the project.		Participate
15.	Conduct a process audit (6 – 9 months after implementation).	■ Process Audit	Lead
16.	Conduct a system audit (6 – 9 months after implementation).	■ System Audit	Lead

Due to the critical importance of this project to the CITY and the need to be very responsive as situations arise during the course of the project, CONSULTANT recognizes the importance of being responsive to CITY's needs particularly as it relates to situations in which a CONSULTANT staff member is not on-site at that time. The CONSULTANT Project Manager or Engagement Director will respond in no more than 24 hours to any email or phone communications to CITY regarding any type of inquiry although resolution of that particular item may not be feasible at that time. Generally, CONSULTANT expects a response to occur within 2 – 8 hours for most situations with the exception of communications that may be initiated late in the day and not be viewed for the first time until the following morning.

**EXHIBIT C  
FEE SCHEDULE**

CONSULTANT proposes a not-to-exceed project fee amount of \$253,440, including all travel and incidental expenses, based on the following assumptions. This amount will not be exceeded unless specifically requested by the CITY.

- The blended hourly rate for this engagement will be \$200 per hour.
- All travel and incidental expenses will be billed to CITY separately based on GSA expense reimbursement guidelines.
- It is assumed that the project will commence on March 1, 2011 with a go-live date of no later than October 17, 2011.
- Provision of post go-live support through November 30, 2011 to coincide with CedarCrestone's 1 month post go-live support period plus two weeks of project close-out activities.
- CONSULTANT assumes that CONSULTANT'S involvement on the project will be consistent with the project start and go-live dates.
- CONSULTANT projects an approximate .80 FTE/month of project management assistance with the majority of the work being provided by Ms. Laurie Zyla with oversight being provided by Mr. Scott Eiler. The breakout of anticipated staff time is as follows:
  - Ms. Zyla: .50 FTE/month
  - Mr. Eiler and others: .30 FTE/month
- The estimated hours per month of approximately 128 hours will include a combination of on-site and off-site assistance.
- The FTE estimate is based on a combination of our expectations of what project management assistance is necessary as well as an estimate provided by the Oracle integrator.
- It is assumed that CITY will provide an administrative resource of .25 FTE over the duration of the project to perform clerical assistance for the project team.
- Additional work requested by CITY that is not defined in the project work plan can be provided at a blended hourly rate of \$200/hour. This includes specialists such as accounting, process improvement, change management, additional project management assistance, etc.
- CONSULTANT will prepare and provide a schedule to the CITY each month that identifies anticipated versus actual hours spent that month for purposes of monitoring CONSULTANT'S effort on the project and identifying any trends that require further follow-up discussion

Fees will be paid upon the successful completion of payment milestones by the CITY's Oracle integrator, CedarCrestone, as follows:

Phase or Event	Scheduled Payment	Contract Percent
Contract Execution	\$25,344	10%
Phase 1 – Plan & Discover	\$38,016	15%
Phase 2 – Analyze & Design	\$38,016	15%
Phase 3 – Configure & Develop (Part 1)	\$12,672	5%

Phase or Event	Scheduled Payment	Contract Percent
Phase 3 – Configure & Develop (Part 2)	\$12,672	5%
Phase 3 – Configure & Develop (Part 3)	\$12,672	5%
Phase 4 – Test & Train	\$38,016	15%
Phase 5 – Deploy & Optimize	\$38,016	15%
Post Production	\$38,016	15%
<b>Total:</b>	<b>\$253,440</b>	<b>100%</b>

**EXHIBIT D  
INSURANCE REQUIREMENTS**

1. CONSULTANT, at its own expense, shall purchase and maintain insurance of the types and amounts required in this section, with companies possessing a current A.M. Best, Inc. rating of B++6, or better and legally authorized to do business in the State of Arizona with policies and forms satisfactory to CITY.
2. Policies written on a "Claims made" basis are not acceptable without written permission from the City's Risk Manager.
3. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of CITY, constitute a material breach of this Agreement and may result in termination of this contract.
4. If any of the insurance policies are not renewed prior to expiration, payments to the CONSULTANT may be withheld until these requirements have been met, or at the option of the City, the City may pay the Renewal Premium and withhold such payments from any monies due the CONSULTANT.
5. All insurance policies, except Workers' Compensation and Professional Liability required by this Agreement, and self-insured retention or deductible portions, shall name, to the fullest extent permitted by law for claims arising out of the performance of this contract, the City of Chandler, its agents, representatives, officers, directors, officials and employees as Additional Insureds.
6. CONSULTANT's insurance shall be primary insurance over any insurance available to the CITY and as to any claims resulting from this contract, it being the intention of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses covered by the described insurance.
7. The insurance policies, except Workers' Compensation, shall contain a waiver of transfer rights of recovery (subrogation) against CITY, its agents, representatives, officers, directors, officials and employees for any claims arising out of CONSULTANT's acts, errors, mistakes, omissions, work or service.
8. The insurance policies may provide coverage, which contain deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall be assumed by and be for the account of, and at the sole risk of CONSULTANT. CONSULTANT shall be solely responsible for the deductible and/or self-insured retention. The amounts of any self-insured retentions shall be noted on the Certificate of Insurance. CITY, at its option, may require CONSULTANT to secure payment of such deductibles or self-insured retentions by a Surety Bond or an irrevocable and unconditional letter of credit. Self-insured retentions (SIR) in excess of \$25,000 will only be accepted with the permission of the Management Services Director/designee..
9. All policies and certificates shall contain an endorsement providing that the coverage afforded under such policies shall not be reduced, canceled or allowed to expire until at least thirty (30) days prior written notice has been given to CITY.
10. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the CONSULTANT with reasonable promptness in accordance with the CONSULTANT's information and belief.

11. In the event that claims in excess of the insured amounts provided herein, are filed by reason of any operations under this contract, the amount of excess of such claims, or any portion thereof, may be withheld from payment due or to become due the CONSULTANT until such time as the CONSULTANT shall furnish such additional security covering such claims as may be determined by the CITY.

#### C.1 PROOF OF INSURANCE - CERTIFICATES OF INSURANCE

1. Prior to commencing work or services under this Agreement, CONSULTANT shall furnish to CITY Certificates of Insurance, issued by CONSULTANT's insurer(s), as evidence that policies providing the required coverages, conditions and limits required by this Agreement are in full force and effect and obtain from the City's Risk Management Division approval of such Certificates.
2. If a policy does expire during the life of this Agreement, a renewal certificate must be sent to the City of Chandler five (5) days prior to the expiration date.
3. All Certificates of Insurance shall identify the policies in effect on behalf of CONSULTANT, their policy period(s), and limits of liability. Each Certificate shall include the job site and project number and title. Coverage shown on the Certificate of Insurance must coincide with the requirements in the text of the contract documents. Information required to be on the certificate of Insurance may be typed on the reverse of the Certificate and countersigned by an authorized representative of the insurance company.
4. CITY reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. CITY shall not be obligated, however, to review same or to advise CONSULTANT of any deficiencies in such policies and endorsements, and such receipt shall not relieve CONSULTANT from, or be deemed a waiver of CITY's right to insist on, strict fulfillment of CONSULTANT's obligations under this Agreement.

#### C.2 REQUIRED COVERAGE

1. Such insurance shall protect CONSULTANT from claims set forth below which may arise out of or result from the operations of CONSULTANT under this Contract and for which CONSULTANT may be legally liable, whether such operations be by the CONSULTANT or by a Sub-consultant or subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. Coverage under the policy will be at least as broad as Insurance Services Office, Inc., policy form CG00011093 or equivalent thereof, including but not limited to severability of interest and waiver of subrogation clauses.
2. Claims under workers' compensation, disability benefit and other similar employee benefit acts which are applicable to the Work to be performed;
3. Claims for damages because of bodily injury, occupational sickness or disease, or death of the CONSULTANT's employees;
4. Claims for damages because of bodily injury, sickness or disease, or death of any person other than the CONSULTANT's employees;
5. Claims for damages insured by usual personal injury liability coverage;
6. Claims for damages, other than to Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;

7. Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle; Coverage will be at least as broad as Insurance Service Office, Inc., coverage Code "1" "any auto" policy form CA00011293 or equivalent thereof.
8. Claims for bodily injury or property damage arising out of completed operations;
9. Claims involving contractual liability insurance applicable to the CONSULTANT's obligations under the Indemnification Agreement;
10. Claims for injury or damages in connection with one's professional services;
11. Claims involving construction projects while they are in progress. Such insurance shall include coverage for loading and off loading hazards. If any hazardous material, as defined by any local, state or federal authorities are to be transported, MCS 90 endorsement shall be included.

#### C.2.1 Commercial General Liability - Minimum Coverage Limits

The Commercial General Liability insurance required herein shall be written for not less than \$1,000,000 limits of liability or ten percent (10%) of the Contract Price, whichever coverage is greater. Any combination between general liability and excess general liability alone amounting to a minimum of \$1,000,000 per occurrence (or 10% per occurrence) and an aggregate of \$2,000,000 (or 20% whichever is greater) in coverage will be acceptable. The Commercial General Liability additional insured endorsement shall be as broad as the Insurance Services, Inc's (ISO) Additional Insured, Form B, CG 20101001, and shall include coverage for CONSULTANT's operations and products, and completed operations.

#### C.2.2 General Liability - Minimum Coverage Limits

The General Liability insurance required herein, including, Comprehensive Form, Premises-Operations, Explosion and Collapse, Underground Hazard, Products/Completed Operations, Contractual Insurance, Broad Form Property Damage, Independent Contractors, and Personal Injury shall be written for Bodily Injury and Property Damage Combined shall be written for not less than \$1,000,000 or 10% of the contract cost and with a \$2,000,000 aggregate.

#### C.2.3 Automobile Liability

CONSULTANT shall maintain Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any owned, hired, and non-owned vehicles assigned to or used in performance of the CONSULTANT's work. Coverage shall be at least as broad as coverage code 1, "any auto", (Insurance Service Office, Inc. Policy Form CA 00011293, or any replacements thereof). Such insurance shall include coverage for loading and off loading hazards if hazardous substances, materials or wastes are to be transported and a MCS 90 endorsement shall be included with coverage limits of \$5,000,000 per accident for bodily injury and property damage.

#### C.2.4 Worker's Compensation and Employer's Liability

CONSULTANT shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over CONSULTANT's employees engaged in the performance of the work or services; and, Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease coverage for each employee, and \$1,000,000 disease policy limit.

In case any work is subcontracted, CONSULTANT will require the Subcontractor to provide Workers' Compensation and Employer's Liability to at least the same extent as required of CONSULTANT.

#### C.2.5 Professional Liability

CONSULTANT shall maintain Professional Liability insurance covering acts, errors, mistakes and omissions arising out of the work or services performed by DESIGN CONSULTANT, or any person employed by CONSULTANT, with a claims made policy limit of not less than \$1,000,000.