



# STAFF REPORT

**Report To:** Board of Supervisors

**Meeting Date:** June 15, 2017

**Staff Contact:** Laura Rader and Eric Von Schimmelmann

**Agenda Title:** For Possible Action: To approve Contract No. 1718-010 with NexLevel Information Technology, Inc. for consulting services for the Enterprise Resource Planning (ERP) system procurement and selection for a not to exceed amount of \$74, 575 to be funded from the Capital Outlay/Software Replacement account as approved in the FY18 Budget (Laura Rader; lrader@carson.org and Eric Von Schimmelmann; evonschimmelmann@carson.org).

**Staff Summary:** The City's current Enterprise Resource Planning (ERP) financial system is outdated and has been approved for replacement in the FY18 CIP budget process. To start this project, staff would like to hire NexLevel Inc. as a consultant to provide the resources needed to document functional requirements and needs, prepare an RFP, and facilitate the selection and negotiation processes. NexLevel is a leader in this functional area and we have used them in the past in the creation of the Information Technology Strategic Plan.

**Agenda Action:** Formal Action/Motion

**Time Requested:** 5 minutes

---

## **Proposed Motion**

I approve Contract No. 1718-010 with NexLevel Information Technology, Inc. for consulting services for the Enterprise Resource Planning (ERP) system procurement and selection for a not to exceed amount of \$74, 575 to be funded from the Capital Outlay/Software Replacement account as approved in the FY18 budget.

## **Board's Strategic Goal**

Sustainable Infrastructure

## **Previous Action**

## **Background/Issues & Analysis**

The current ERP system has been in place since 1990 and no longer meets the City requirements. This project was approved in the FY18 CIP budget process.

## **Applicable Statute, Code, Policy, Rule or Regulation**

NRS 332.115

## **Financial Information**

Is there a fiscal impact?  Yes  No

If yes, account name/number: Capital Outlay/Software Replacement account 210-0000-415-65.08

Is it currently budgeted?  Yes  No

Explanation of Fiscal Impact: \$92,000 is budgeted in the account for FY18.

**Alternatives**

Do not approve contract and provide alternative direction to staff.

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_

2) \_\_\_\_\_

Aye/Nay

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Vote Recorded By)

**PROFESSIONAL SERVICES CONSULTANT AGREEMENT**

**Contract No.1718-010**

**Title: Consulting Services for Procurement of a Replacement Financial System**

THIS CONTRACT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between Carson City, a consolidated municipality, a political subdivision of the State of Nevada, hereinafter referred to as "CITY", and NexLevel Information Technology, Inc., hereinafter referred to as "CONSULTANT".

**WITNESSETH:**

**WHEREAS**, the Purchasing and Contracts Manager for **CITY** is authorized pursuant to Nevada Revised Statutes (hereinafter referred to as "NRS") 332 and 338 and Carson City Purchasing Resolution #1990-R71, to approve and accept this Contract as set forth in and by the following provisions; and

**WHEREAS**, this Contract (does involve \_\_\_\_ ) (does not involve X) a "public work" construction project, which pursuant to NRS 338.010(17) means any project for the new construction, repair or reconstruction of an applicable project financed in whole or in part from public money; and

**WHEREAS, CONSULTANT'S** compensation under this agreement (does \_\_\_\_ ) (does not X) utilize in whole or in part money derived from one or more federal grant funding source(s); and

**WHEREAS**, it is deemed necessary that the services of **CONSULTANT** for **CONTRACT No. 1718-010** (hereinafter referred to as "Contract") are both necessary and in the best interest of **CITY**; and

**NOW, THEREFORE**, in consideration of the aforesaid premises, and the following terms, conditions and other valuable consideration, the parties mutually agree as follows:

**1. REQUIRED APPROVAL:**

This Contract shall not become effective until approved by the Board of Supervisors.

**2. SCOPE OF WORK (Incorporated Contract Documents):**

2.1 **CONSULTANT** shall provide and perform the following services set forth in **Exhibit A**, which shall all be attached hereto and incorporated herein by reference for and on behalf of **CITY** and hereinafter referred to as the "SERVICES".

2.2 **CONSULTANT** represents that it is duly licensed by **CITY** for the purposes of performing the SERVICES.

2.3 **CONSULTANT** represents that it is duly qualified and licensed in the State of Nevada for the purposes of performing the SERVICES.

For P&C Use Only
CCBL expires _____
GL expires _____
AL expires _____
PL expires _____
WC expires _____

## PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.1718-010

### Title: Consulting Services for Procurement of a Replacement Financial System

2.4 **CONSULTANT** represents that it and/or the persons it may employ possess all skills and training necessary to perform the SERVICES described herein and required hereunder. **CONSULTANT** shall perform the SERVICES faithfully, diligently, in a timely and professional manner, to the best of its ability, and in such a manner as is customarily performed by a person who is in the business of providing such services in similar circumstances. **CONSULTANT** shall be responsible for the professional quality and technical accuracy of all SERVICES furnished by **CONSULTANT** to **CITY**.

2.5 **CONSULTANT** represents that neither the execution of this Contract nor the rendering of services by **CONSULTANT** hereunder will violate the provisions of or constitute a default under any other contract or agreement to which **CONSULTANT** is a party or by which **CONSULTANT** is bound, or which would preclude **CONSULTANT** from performing the SERVICES required of **CONSULTANT** hereunder, or which would impose any liability or obligation upon **CITY** for accepting such SERVICES.

2.6 Before commencing with the performance of any work under this Contract, **CONSULTANT** shall obtain all necessary permits and licenses as may be necessary. Before and during the progress of work under this Contract, **CONSULTANT** shall give all notice and comply with all the laws, ordinances, rules and regulations of every kind and nature now or hereafter in effect promulgated by any Federal, State, County, or other Governmental Authority, relating to the performance of work under this Contract. If **CONSULTANT** performs any work that is contrary to any such law, ordinance, rule or regulation, it shall bear all the costs arising therefrom.

2.7 Special Terms and Conditions for Engineers, Architects, and Land Surveying/Testing:  
**(OMITTED)**

2.8 **CITY Responsibilities:**

2.8.1 **CITY** shall make available to **CONSULTANT** all technical data that is in **CITY'S** possession, reasonably required by **CONSULTANT** relating to the SERVICES.

2.8.2 **CITY** shall provide access to and make all provisions for **CONSULTANT** to enter upon public and private lands, to the fullest extent permitted by law, as reasonably required for **CONSULTANT** to perform the SERVICES.

2.8.3 **CITY** shall examine all reports, correspondence, and other documents presented by **CONSULTANT** upon request of **CITY**, and render, in writing, decisions pertaining thereto within a reasonable time so as not to delay the work of **CONSULTANT**.

2.8.4 It is expressly understood and agreed that all work done by **CONSULTANT** shall be subject to inspection and acceptance by **CITY** and approval of SERVICES shall not forfeit the right of **CITY** to require correction, and nothing contained herein shall relieve **CONSULTANT** of the responsibility of the SERVICES required under the terms of this Contract until all SERVICES have been completed and accepted by **CITY**.

### 3. **CONTRACT TERM:**

3.1 This Contract shall be effective from July 1, 2017 to June 30, 2018, unless sooner terminated by either party as specified in **Section 7** (CONTRACT TERMINATION).

**PROFESSIONAL SERVICES CONSULTANT AGREEMENT**  
**Contract No.1718-010**  
**Title: Consulting Services for Procurement of a Replacement Financial System**

**4. NOTICE:**

4.1 Except any applicable bid and award process where notices may be limited to postings by **CITY** on its Finance Department/Bid Opportunities website ([www.carson.org](http://www.carson.org)), all notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by e-mail, by regular mail, by telephonic facsimile with simultaneous regular mail, or by certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address specified below.

4.2 Notice to **CONSULTANT** shall be addressed to:

Terry Hackelman, Managing Principal  
NexLevel Information Technology, Inc.  
6829 Fair Oaks Blvd., Suite 100  
Carmichael, CA 95608  
916-692-2000  
email: [terry.hackelman@nexlevelit.com](mailto:terry.hackelman@nexlevelit.com)

4.3 Notice to **CITY** shall be addressed to:

Carson City Purchasing and Contracts Department  
Laura Rader, Purchasing and Contracts Administrator  
201 North Carson Street, Suite 2  
Carson City, NV 89701  
775-283-7362 / FAX 775-887-2286  
[LRader@carson.org](mailto:LRader@carson.org)

**5. COMPENSATION:**

5.1 The parties agree that **CONSULTANT** will provide the SERVICES specified in **Section 2** (SCOPE OF WORK) and **CITY** agrees to pay **CONSULTANT** the Contract's compensation based upon Time and Materials and the Scope of Work Fee Schedule for a not to exceed maximum amount of Seventy Four Thousand Five Hundred Seventy Five Dollars and 00/100 (\$74,575.00), and hereinafter referred to as "Contract Sum".

5.2 Contract Sum represents full and adequate compensation for the completed SERVICES, and includes the furnishing of all materials; all labor, equipment, tools, and appliances; and all expenses, direct or indirect, connected with the proper execution of the SERVICES.

5.3 **CONSULTANT** shall provide **CITY** with a scope of work for each task to be completed and if approved by the Community Development Director, **CONSULTANT** will be provided a "Task Order" authorizing the work.

5.4 **CITY** has provided a sample invoice and **CONSULTANT** shall submit its request for payment using said sample invoice.

## PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.1718-010

### Title: Consulting Services for Procurement of a Replacement Financial System

5.5 Payment by **CITY** for the SERVICES rendered by **CONSULTANT** shall be due within thirty (30) calendar days from the date **CITY** acknowledges that the performance meets the requirements of this Contract or from the date the correct, complete, and descriptive invoice is received by **CITY** employee designated on the sample invoice, whichever is the later date.

5.6 **CITY** does not agree to reimburse **CONSULTANT** for expenses unless otherwise specified.

#### 6. TIMELINESS OF BILLING SUBMISSION:

6.1 The parties agree that timeliness of billing is of the essence to this Contract and recognize that **CITY** is on a fiscal year which is defined as the period beginning July 1 and ending June 30 of the following year. All billings for dates of service prior to July 1 must be submitted to **CITY** no later than the first Friday in August of the same year. A billing submitted after the first Friday in August will subject **CONSULTANT** to an administrative fee not to exceed \$100.00. The parties hereby agree this is a reasonable estimate of the additional costs to **CITY** of processing the billing as a stale claim and that this amount will be deducted from the stale claim payment due to **CONSULTANT**.

#### 7. CONTRACT TERMINATION:

##### 7.1 Termination Without Cause:

7.1.1 Any discretionary or vested right of renewal notwithstanding, this Contract may be terminated upon written notice by mutual consent of both parties or unilaterally by either party without cause.

7.1.2 **CITY** reserves the right to terminate this Contract for convenience whenever it considers termination, in its sole and unfettered discretion, to be in the public interest. In the event that the Contract is terminated in this manner, payment will be made for SERVICES actually completed. If termination occurs under this provision, in no event shall **CONSULTANT** be entitled to anticipated profits on items of SERVICES not performed as of the effective date of the termination or compensation for any other item, including but not limited to, unabsorbed overhead. **CONSULTANT** shall require that all subcontracts which it enters related to this Contract likewise contain a termination for convenience clause which precludes the ability of any subconsultant to make claims against **CONSULTANT** for damages due to breach of contract, of lost profit on items of SERVICES not performed or of unabsorbed overhead, in the event of a convenience termination.

##### 7.2 Termination for Nonappropriation:

7.2.1 All payments and SERVICES provided under this Contract are contingent upon the availability of the necessary public funding, which may include various internal and external sources. In the event that Carson City does not acquire and appropriate the funding necessary to perform in accordance with the terms of the Contract, the Contract shall automatically terminate upon **CITY'S** notice to **CONSULTANT** of such nonappropriation, and no claim or cause of action may be based upon any such nonappropriation.

##### 7.3 Cause Termination for Default or Breach:

7.3.1 A default or breach may be declared with or without termination.

## PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.1718-010

### Title: Consulting Services for Procurement of a Replacement Financial System

7.3.2 This Contract may be terminated by either party upon written notice of default or breach to the other party as follows:

7.3.2.1 If **CONSULTANT** fails to provide or satisfactorily perform any of the conditions, work, deliverables, goods, or any SERVICES called for by this Contract within the time requirements specified in this Contract or within any granted extension of those time requirements; or

7.3.2.2 If any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **CONSULTANT** to provide the goods or SERVICES or any services required by this Contract is for any reason denied, revoked, debarred, excluded, terminated, suspended, lapsed, or not renewed; or

7.3.2.3 If **CONSULTANT** becomes insolvent, subject to receivership, or becomes voluntarily or involuntarily subject to the jurisdiction of the bankruptcy court; or

7.3.2.4 If **CITY** materially breaches any material duty under this Contract and any such breach impairs **CONSULTANT'S** ability to perform; or

7.3.2.5 If it is found by **CITY** that any quid pro quo or gratuities in the form of money, services, entertainment, gifts, or otherwise were offered or given by **CONSULTANT**, or any agent or representative of **CONSULTANT**, to any officer or employee of **CITY** with a view toward securing a contract or securing favorable treatment with respect to awarding, extending, amending, or making any determination with respect to the performing of such contract; or

7.3.2.6 If it is found by **CITY** that **CONSULTANT** has failed to disclose any material conflict of interest relative to the performance of this Contract.

#### 7.4 Time to Correct (Declared Default or Breach):

7.4.1 Termination upon a declared default or breach may be exercised only after providing 7 (seven) calendar days written notice of default or breach, and the subsequent failure of the defaulting or breaching party, within five (5) calendar days of providing that default or breach notice, to provide evidence satisfactory to the aggrieved party demonstrating that the declared default or breach has been corrected. Time to correct shall run concurrently with any notice of default or breach and such time to correct is not subject to any stay with respect to the nonexistence of any Notice of Termination. Untimely correction shall not void the right to termination otherwise properly noticed unless waiver of the noticed default or breach is expressly provided in writing by the aggrieved party. There shall be no time to correct with respect to any notice of termination without cause or termination for nonappropriation.

#### 7.5 Winding Up Affairs Upon Termination:

7.5.1 In the event of termination of this Contract for any reason, the parties agree that the provisions of this **Subsection 7.5** (Winding Up Affairs Upon Termination) survive termination:

7.5.1.1 The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this Contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;

**PROFESSIONAL SERVICES CONSULTANT AGREEMENT**  
**Contract No.1718-010**  
**Title: Consulting Services for Procurement of a Replacement Financial System**

and

7.5.1.2 **CONSULTANT** shall satisfactorily complete SERVICES in progress at the agreed rate (or a pro rata basis if necessary) if so requested by **CITY**; and

7.5.1.3 **CONSULTANT** shall execute any documents and take any actions necessary to effectuate an assignment of this Contract if so requested by **CITY**; and

7.5.1.4 **CONSULTANT** shall preserve, protect, and promptly deliver into **CITY** possession all proprietary information in accordance **Section 19** (CITY OWNERSHIP OF PROPRIETARY INFORMATION).

7.6 Notice of Termination:

7.6.1 Unless otherwise specified in this Contract, termination shall not be effective until seven (7) calendar days after a party has provided written notice of default or breach, or notice of without cause termination. Notice of Termination may be given at the time of notice of default or breach, or notice of without cause termination. Notice of Termination may be provided separately at any time after the running of the 7-day notice period, and such termination shall be effective on the date the Notice of Termination is provided to the party unless a specific effective date is otherwise set forth therein. Any delay in providing a Notice of Termination after the 7-day notice period has run without a timely correction by the defaulting or breaching party shall not constitute any waiver of the right to terminate under the existing notice(s).

**8. REMEDIES:**

Except as otherwise provided for by law or this Contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party reasonable attorney's fees and costs. The parties agree that, in the event a lawsuit is filed and a party is awarded attorney's fees by the court, for any reason, the amount of recoverable attorney's fees shall not exceed the rate of \$125 per hour. **CITY** may set off consideration against any unpaid obligation of **CONSULTANT** to **CITY**.

**9. LIMITED LIABILITY:**

**CITY** will not waive and intends to assert available NRS Chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise expressly provided for elsewhere in this Contract. Damages for any **CITY** breach shall never exceed the amount of funds appropriated for payment under this Contract, but not yet paid to **CONSULTANT**, for the fiscal year budget in existence at the time of the breach. **CONSULTANT'S** tort liability shall not be limited.

**10. FORCE MAJEURE:**

Neither party shall be deemed to be in violation of this Contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of this Contract after the intervening cause ceases.

**11. INDEMNIFICATION:**

11.1 To the extent permitted by law, including, but not limited to, the provisions of NRS Chapter 41, each party shall indemnify, hold harmless and defend, not excluding the other's right to participate, the other party from and against all liability, claims, actions, damages, losses, and expenses, including but



## PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.1718-010

### Title: Consulting Services for Procurement of a Replacement Financial System

not limited to reasonable attorney's fees and costs, arising out of any alleged negligent or willful acts or omissions of the indemnifying party, its officers, employees and agents. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this Section.

11.2 As required by NRS 338.155, if this Contract involves a "public work" construction project as defined above, **CONSULTANT** shall defend, indemnify and hold harmless the **CITY**, and the employees, officers and agents of the public body from any liabilities, damages, losses, claims, actions or proceedings, including without limitation, reasonable attorney's fees, to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the **CONSULTANT** or the employees or agents of the **CONSULTANT** in the performance of the Contract. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of the indemnity which would otherwise exist as to any party or person described in this section. However, with respect to any anticipated benefits to **CITY** resulting from the Scope of Work, **CONSULTANT** shall not be responsible or liable to **CITY** for any warranties, guarantees, fitness for a particular purpose or loss of anticipated profits resulting from any termination of this Contract. Additionally, **CONSULTANT** shall not be responsible for acts and decisions of third parties, including governmental agencies, other than **CONSULTANT'S** subcontractors, that impact project completion and/or success.

11.3 Except as otherwise provided in **Subsection 11.5** below, the indemnifying party shall not be obligated to provide a legal defense to the indemnified party, nor reimburse the indemnified party for the same, for any period occurring before the indemnified party provides written notice of the pending claim(s) or cause(s) of action to the indemnifying party, along with:

- 11.3.1 a written request for a legal defense for such pending claim(s) or cause(s) of action; and
- 11.3.2 a detailed explanation of the basis upon which the indemnified party believes that the claim or cause of action asserted against the indemnified party implicates the culpable conduct of the indemnifying party, its officers, employees, and/or agents.

11.4 After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall not be obligated to fund or reimburse any fees or costs provided by any additional counsel for the indemnified party, including counsel through which the indemnified party might voluntarily choose to participate in its defense of the same matter.

11.5 After the indemnifying party has begun to provide a legal defense for the indemnified party, the indemnifying party shall be obligated to reimburse the reasonable attorney's fees and costs incurred by the indemnified party during the initial thirty (30) day period of the claim or cause of action, if any, incurred by separate counsel.

## 12. **INDEPENDENT CONTRACTOR:**

12.1 **CONSULTANT**, as an independent contractor, is a natural person, firm or corporation who agrees to perform SERVICES for a fixed price according to his or its own methods and without subjection to the supervision or control of the **CITY**, except as to the results of the SERVICES, and not as to the means by which the SERVICES are accomplished.

12.2 It is mutually agreed that **CONSULTANT** is associated with **CITY** only for the purposes and to the extent specified in this Contract, and in respect to performance of the contracted SERVICES pursuant to this Contract. **CONSULTANT** is and shall be an independent contractor and, subject only to the terms of this Contract, shall have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract.

12.3 Nothing contained in this Contract shall be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create any

**PROFESSIONAL SERVICES CONSULTANT AGREEMENT**  
**Contract No.1718-010**  
**Title: Consulting Services for Procurement of a Replacement Financial System**

liability for **CITY** whatsoever with respect to the indebtedness, liabilities, and obligations of **CONSULTANT** or any other party.

12.4 **CONSULTANT**, in addition to **Section 11** (INDEMNIFICATION), shall indemnify and hold **CITY** harmless from, and defend **CITY** against, any and all losses, damages, claims, costs, penalties, liabilities, expenses arising out of or incurred in any way because of, but not limited to, **CONSULTANT'S** obligations or legal duties regarding any taxes, fees, assessments, benefits, entitlements, notice of benefits, employee's eligibility to work, to any third party, subcontractor, employee, state, local or federal governmental entity.

12.5 Neither **CONSULTANT** nor its employees, agents, or representatives shall be considered employees, agents, or representatives of **CITY**.

**13. INSURANCE REQUIREMENTS (GENERAL):**

**13.1 NOTICE: The following general insurance requirements shall apply unless these general requirements are altered by any specific requirements set forth in CITY'S solicitation for bid document, the adopted bid or other document incorporated into this Contract by the parties.**

13.2 **CONTRACTOR**, as an independent contractor and not an employee of **CITY**, must carry policies of insurance in amounts specified and pay all taxes and fees incident hereunto. **CITY** shall have no liability except as specifically provided in this Contract.

13.3 **CONTRACTOR** shall not commence work before: (1) **CONTRACTOR** has provided the required evidence of insurance to **CITY** Purchasing and Contracts, and (2) **CITY** has approved the insurance policies provided by **CONTRACTOR**.

13.4 Prior approval of the insurance policies by **CITY** shall be a condition precedent to any payment of consideration under this Contract and **CITY'S** approval of any changes to insurance coverage during the course of performance shall constitute an ongoing condition subsequent this Contract. Any failure of **CITY** to timely approve shall not constitute a waiver of the condition.

13.5 *Insurance Coverage (13.6 through 13.23):*

13.6 **CONTRACTOR** shall, at **CONTRACTOR'S** sole expense, procure, maintain and keep in force for the duration of this Contract the following insurance conforming to the minimum requirements specified below. Unless specifically specified herein or otherwise agreed to by **CITY**, the required insurance shall be in effect prior to the commencement of work by **CONTRACTOR** and shall continue in force as appropriate until the later of:

13.6.1 Final acceptance by **CITY** of the completion of this Contract; or

13.6.2 Such time as the insurance is no longer required by **CITY** under the terms of this Contract.

13.6.3 Any insurance or self-insurance available to **CITY** under its coverage(s) shall be in excess of and non-contributing with any insurance required from **CONTRACTOR**. **CONTRACTOR'S** insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by **CITY**, **CONTRACTOR** shall provide **CITY** with renewal or replacement evidence of insurance no less than thirty (30) calendar days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by this Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as **CONTRACTOR** has knowledge of any such failure, **CONTRACTOR** shall immediately notify **CITY** and immediately replace such insurance or bond with an insurer meeting the requirements.

## PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.1718-010

### Title: Consulting Services for Procurement of a Replacement Financial System

13.7 *General Insurance Requirements (13.8 through 13.23):*

13.8 **Certificate Holder:** Each certificate shall list Carson City c/o Carson City Purchasing and Contracts, 201 N. Carson Street, Suite 3, Carson City, NV 89701 as a certificate holder.

13.9 **Additional Insured:** By endorsement to the general liability insurance policy evidenced by **CONTRACTOR**, The City and County of Carson City, Nevada, its officers, employees and immune contractors shall be named as additional insureds for all liability arising from this Contract.

13.10 **Waiver of Subrogation:** Each liability insurance policy, except for professional liability, shall provide for a waiver of subrogation in favor of City.

13.11 **Cross-Liability:** All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.

13.12 **Deductibles and Self-Insured Retentions:** Insurance maintained by **CONTRACTOR** shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by **CITY**. Such approval shall not relieve **CONTRACTOR** from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed \$5,000.00 per occurrence, unless otherwise approved by **CITY**.

13.13 **Policy Cancellation:** Except for ten (10) calendar days notice for non-payment of premium, **CONTRACTOR** or its insurers must provide thirty (30) calendar days prior written notice to Carson City Purchasing and Contracts if any policy will be canceled, non-renewed or if required coverage and /or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by mail to Carson City Purchasing and Contracts, 201 N. Carson Street, Suite 3, Carson City, NV 89701. When available, each insurance policy shall be endorsed to provide thirty (30) days' notice of cancellation, except for ten (10) days' notice for non-payment of premium, to City.

13.14 **Approved Insurer:** Each insurance policy shall be issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers under federal and Nevada law and having agents in Nevada upon whom service of process may be made, and currently rated by A.M. Best as "A-VII" or better.

13.15 **Evidence of Insurance:** Prior to commencement of work, **CONTRACTOR** must provide the following documents to Carson City Purchasing and Contracts, 201 North Carson Street, Suite 3, Carson City, NV 89701:

13.16 **Certificate of Insurance:** Contractor shall furnish City with a certificate(s) of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth herein. The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to Carson City Purchasing and Contracts to evidence the insurance policies and coverages required of **CONTRACTOR**.

13.17 **Additional Insured Endorsement:** An Additional Insured Endorsement (CG20 10 or C20 26), signed by an authorized insurance company representative, must be submitted to Carson City Purchasing and Contracts to evidence the endorsement of **CITY** as an additional insured per **Subsection 13.9** (Additional Insured).

13.18 **Schedule of Underlying Insurance Policies:** If Umbrella or Excess policy is evidenced to comply with minimum limits, a copy of the Underlying Schedule from the Umbrella or Excess insurance policy may be required.

13.19 **Review and Approval:** Documents specified above must be submitted for review and approval by **CITY** Purchasing and Contracts prior to the commencement of work by **CONTRACTOR**. Neither approval by **CITY** nor failure to disapprove the insurance furnished by **CONTRACTOR** shall relieve **CONTRACTOR** of **CONTRACTOR'S** full responsibility to provide the insurance required by this Contract.

## PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.1718-010

### Title: Consulting Services for Procurement of a Replacement Financial System

Compliance with the insurance requirements of this Contract shall not limit the liability of **CONTRACTOR** or its sub-contractors, employees or agents to **CITY** or others, and shall be in addition to and not in lieu of any other remedy available to **CITY** under this Contract or otherwise. **CITY** reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements.

#### 13.20 **COMMERCIAL GENERAL LIABILITY INSURANCE:**

Contractor shall maintain commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence.

13.20.1 *Minimum Limits required:*

13.20.2 Two Million Dollars (\$2,000,000.00) - General Aggregate.

13.20.3 Two Million Dollars (\$2,000,000.00) - Products & Completed Operations Aggregate.

13.20.4 One Million Dollars (\$1,000,000.00) - Each Occurrence.

13.20.5 CGL insurance shall be written on ISO occurrence form CG 00 01 04 13 (or a substitute form providing equivalent coverage) and shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract [(including the tort liability of another assumed in a business contract)].

13.20.6 City and County of Carson City, Nevada, its officers, employees and immune contractors shall be included as an insured under the CGL, using ISO additional insured endorsement CG 20 10 or CG 20 26, or a substitute providing equivalent coverage, and under the commercial umbrella, if any.

13.20.7 This insurance shall apply as primary insurance with respect to any other insurance or self-insurance programs afforded to City There shall be no endorsement or modification of the CGL to make it excess over other available insurance; alternatively, if the CGL states that it is excess or pro rata, the policy shall be endorsed to be primary with respect to the additional insured.

13.20.8 There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability assumed under a contract.

13.20.9 Contractor waives all rights against City and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the commercial general liability or commercial umbrella liability insurance maintained pursuant to this Contract. Insurer shall endorse CGL policy as required to waive subrogation against City with respect to any loss paid under the policy.

#### 13.21 **BUSINESS AUTOMOBILE LIABILITY INSURANCE:**

13.21.1 Minimum Limit required:

13.21.2 Contractor shall maintain automobile liability and, if necessary, commercial umbrella liability insurance with a limit of not less than \$1,000,000 each accident for bodily injury and property damage.

13.21.3 Such insurance shall cover liability arising out of owned, hired, and non-owned autos (as applicable). Coverage as required above shall be written on ISO form CA 00 01, CA 00 05, CA 00 25, or a substitute form providing equivalent liability coverage.

## PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.1718-010

### Title: Consulting Services for Procurement of a Replacement Financial System

13.21.4 Contractor waives all rights against City and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the automobile liability or other liability insurance obtained by Contractor pursuant this Contract.

#### 13.22 PROFESSIONAL LIABILITY INSURANCE

13.22.1 *Minimum Limit required:*

13.22.2 CONTRACTOR shall maintain professional liability insurance applying to all activities performed under this Contract with limits not less than One Million Dollars (\$1,000,000.00) and Two Million Dollars (\$2,000,000) in the aggregate.

13.22.3 Retroactive date: Prior to commencement of the performance of this Contract.

13.22.4 CONTRACTOR will maintain professional liability insurance during the term of this Contract and for a period of three (3) years after termination of this Contract unless waived by the City. In the event of non-renewal or other lapse in coverage during the term of this Contract or the three (3) year period described above, CONTRACTOR shall purchase Extended Reporting Period coverage for claims arising out of CONTRACTOR's negligence acts, errors and omissions committed during the term of the Professional Liability Policy. The Extended Reporting Period shall continue through a minimum of three (3) years after termination date of this Contract.

13.22.5 A certified copy of this policy may be required.

#### 13.23 WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY INSURANCE:

13.23.1 **CONTRACTOR** shall provide workers' compensation insurance as required by NRS Chapters 616A through 616D inclusive and Employer's Liability insurance with a minimum limit not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

13.23.2 **CONTRACTOR** may, in lieu of furnishing a certificate of an insurer, provide an affidavit indicating that **CONTRACTOR** is a sole proprietor; that **CONTRACTOR** will not use the services of any employees in the performance of this Contract; that **CONTRACTOR** has elected to not be included in the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive; and that **CONTRACTOR** is otherwise in compliance with the terms, conditions, and provisions of NRS Chapters 616A-616D, inclusive.

13.23.3 **CONTRACTOR** waives all rights against City and its agents, officers, directors, and employees for recovery of damages to the extent these damages are covered by the workers' compensation and employer's liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract. Contractor shall obtain an endorsement equivalent to WC 00 03 13 to affect this waiver.

#### 14. BUSINESS LICENSE:

14.1 **CONSULTANT** shall not commence work before **CONSULTANT** has provided a copy of his Carson City business license to Carson City Purchasing and Contracts.

14.2 The Carson City business license shall continue in force until the later of: (1) final acceptance by **CITY** of the completion of this Contract; or (2) such time as the Carson City business license is no longer required by **CITY** under the terms of this Contract.

#### 15. COMPLIANCE WITH LEGAL OBLIGATIONS:

**CONSULTANT** shall procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by **CONSULTANT** to provide the goods or SERVICES or any services of this Contract. **CONSULTANT**

**PROFESSIONAL SERVICES CONSULTANT AGREEMENT**  
**Contract No.1718-010**  
**Title: Consulting Services for Procurement of a Replacement Financial System**

will be responsible to pay all government obligations, including, but not limited to, all taxes, assessments, fees, fines, judgments, premiums, permits, and licenses required or imposed by law or a court. Real property and personal property taxes are the responsibility of **CONSULTANT** in accordance with NRS Chapter 361 generally and NRS 361.157 and 361.159, specifically regarding for profit activity. **CONSULTANT** agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this Contract. **CITY** may set-off against consideration due any delinquent government obligation.

**16. WAIVER OF BREACH:**

Failure to declare a breach or the actual waiver of any particular breach of this Contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

**17. SEVERABILITY:**

If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract shall be construed as if such provision did not exist and the nonenforceability of such provision shall not be held to render any other provision or provisions of this Contract unenforceable.

**18. ASSIGNMENT / DELEGATION:**

To the extent that any assignment of any right under this Contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this Contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by **CITY**, such offending portion of the assignment shall be void, and shall be a breach of this Contract. **CONSULTANT** shall neither assign, transfer nor delegate any rights, obligations or duties under this Contract without the prior written approval of **CITY**. The parties do not intend to benefit any third party beneficiary regarding their respective performance under this Contract.

**19. CITY OWNERSHIP OF PROPRIETARY INFORMATION:**

Any files, reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer programs, computer codes, and computer records (which are intended to be consideration under this Contract), or any other documents or drawings, prepared or in the course of preparation by **CONSULTANT** (or its subcontractors) in performance of its obligations under this Contract shall be the exclusive property of **CITY** and all such materials shall be delivered into **CITY** possession by **CONSULTANT** upon completion, termination, or cancellation of this Contract. **CONSULTANT** shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of **CONSULTANT'S** obligations under this Contract without the prior written consent of **CITY**. Notwithstanding the foregoing, **CITY** shall have no proprietary interest in any materials licensed for use by **CITY** that are subject to patent, trademark or copyright protection.

**20. PUBLIC RECORDS:**

Pursuant to NRS 239.010, information or documents received from **CONSULTANT** may be open to public inspection and copying. **CITY** will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. **CONSULTANT** may clearly label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 332.061, provided that **CONSULTANT** thereby agrees to indemnify and defend **CITY** for honoring such a designation. The failure to so label any document that is released by **CITY** shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

**21. CONFIDENTIALITY:**

**CONSULTANT** shall keep confidential all information, in whatever form, produced, prepared, observed or received by **CONSULTANT** to the extent that such information is confidential by law or otherwise required by this Contract.

## PROFESSIONAL SERVICES CONSULTANT AGREEMENT

Contract No.1718-010

### Title: Consulting Services for Procurement of a Replacement Financial System

#### 22. LOBBYING:

23.1 The parties agree, whether expressly prohibited by federal law, or otherwise, that no funding associated with this Contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:

22.1.1 Any federal, state, county or local agency, legislature, commission, council or board;

22.1.2 Any federal, state, county or local legislator, commission member, council member, board member, or other elected official; or

22.1.3 Any officer or employee of any federal, state, county or local agency; legislature, commission, council or board.

#### 23. GENERAL WARRANTY:

**CONSULTANT** warrants that it will perform all SERVICES required hereunder in accordance with the prevailing standard of care by exercising the skill and care normally required of individuals performing the same or similar SERVICES, under the same or similar circumstances, in the State of Nevada.

#### 24. PROPER AUTHORITY:

The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract. **CONSULTANT** acknowledges that this Contract is effective only for the period of time specified in this Contract. Any SERVICES performed by **CONSULTANT** before this Contract is effective or after it ceases to be effective is performed at the sole risk of **CONSULTANT**.

#### 25. ALTERNATIVE DISPUTE RESOLUTION (Public Work):

If the SERVICES under this Contract involve a "public work" as defined under NRS 338.010(17), then pursuant to NRS 338.150, a public body charged with the drafting of specifications for a public work shall include in the specifications a clause requiring the use of a method of alternative dispute resolution ("ADR") before initiation of a judicial action if a dispute arising between the public body and the **CONSULTANT** engaged on the public work cannot otherwise be settled. Therefore, unless ADR is otherwise provided for by the parties in any other incorporated attachment to this Contract, in the event that a dispute arising between **CITY** and **CONSULTANT** regarding that public work cannot otherwise be settled, **CITY** and **CONSULTANT** agree that, before judicial action may be initiated, **CITY** and **CONSULTANT** will submit the dispute to non-binding mediation. **CITY** shall present **CONSULTANT** with a list of three potential mediators. **CONSULTANT** shall select one person to serve as the mediator from the list of potential mediators presented by **CITY**. The person selected as mediator shall determine the rules governing the mediation.

#### 26. GOVERNING LAW / JURISDICTION:

This Contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada, without giving effect to any principle of conflict-of-law that would require the application of the law of any other jurisdiction. **CONSULTANT** consents and agrees to the jurisdiction of the courts of the State of Nevada located in Carson City, Nevada for enforcement of this Contract.

#### 27. ENTIRE CONTRACT AND MODIFICATION:

This Contract and its integrated attachment(s) constitute the entire Contract of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other Contracts that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Contract specifically displays a mutual intent to amend a particular part of this Contract, general conflicts in language between any such attachment and this Contract shall be construed consistent with the terms of this Contract. Unless otherwise expressly authorized by the terms of this Contract, no modification or amendment to this Contract shall be binding upon the parties unless the same is in writing and signed by the

**PROFESSIONAL SERVICES CONSULTANT AGREEMENT**

**Contract No.1718-010**

**Title: Consulting Services for Procurement of a Replacement Financial System**

respective parties hereto. Conflicts in language between this Contract and any other agreement between **CITY** and **CONSULTANT** on this same matter shall be construed consistent with the terms of this Contract. The parties agree that each has had their respective counsel review this Contract which shall be construed as if it was jointly drafted.



**PROFESSIONAL SERVICES CONSULTANT AGREEMENT**  
**Contract No.1718-010**  
**Title: Consulting Services for Procurement of a Replacement Financial System**

**28. ACKNOWLEDGMENT AND EXECUTION:**

This Contract may be executed in counterparts. The parties hereto have caused this Contract to be signed and intend to be legally bound thereby as follows:

**CITY**

Chief Financial Officer  
Attn: Laura Rader, Purchasing & Contracts Administrator  
Purchasing and Contracts Department  
201 North Carson Street, Suite 2  
Carson City, Nevada 89701  
Telephone: 775-283-7362  
Fax: 775-887-2286  
[LRader@carson.org](mailto:LRader@carson.org)

**CITY'S LEGAL COUNSEL**

Carson City District Attorney

I have reviewed this Contract and approve as to its legal form.

By: \_\_\_\_\_  
Nancy Paulson, Chief Financial Officer

By: \_\_\_\_\_  
Deputy District Attorney

Dated \_\_\_\_\_

Dated \_\_\_\_\_

**CONSULTANT will not be given authorization to begin work until this Contract has been signed by Purchasing and Contracts**

**BY:** Laura Rader, CPPB  
Purchasing & Contracts Administrator

Account #210-0000-415.65-08

By: \_\_\_\_\_

Dated \_\_\_\_\_

**PROFESSIONAL SERVICES CONSULTANT AGREEMENT**

**Contract No.1718-010**

**Title: Consulting Services for Procurement of a Replacement Financial System**

Undersigned deposes and says under penalty of perjury: That he/she is **CONSULTANT** or authorized agent of **CONSULTANT**; that he/she has read the foregoing Contract; and that he/she understands the terms, conditions and requirements thereof.

**CONSULTANT**

**BY:** Terry Hackleman

**TITLE:** Managing Principal

**FIRM:** NexLevel Information Technology, Inc.

**CARSON CITY BUSINESS LICENSE #:** 17-

**Address:** 6829 Fair Oaks Blvd., Suite 100

**City:** Carmichael **State:** CA **Zip Code:** 95608

**Telephone:** 916-692-2000

**E-mail Address:** terry.hackleman@nexlevelit.com

\_\_\_\_\_  
(Signature of Contractor)

**DATED** \_\_\_\_\_

**STATE OF** \_\_\_\_\_ )

)ss

**County of** \_\_\_\_\_ )

Signed and sworn (or affirmed before me on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Signature of Notary)

(Notary Stamp)



**PROFESSIONAL SERVICES CONSULTANT AGREEMENT**  
**Contract No.1718-010**  
**Title: Consulting Services for Procurement of a Replacement Financial System**

**CONTRACT ACCEPTANCE AND EXECUTION:**

The Board of Supervisors for Carson City, Nevada at their publicly noticed meeting of June 15, 2017 approved the acceptance of the attached Contract hereinbefore identified as **CONTRACT No. 118-010**. Further, the Board of Supervisors authorizes the Mayor of Carson City, Nevada to set his hand to this document and record his signature for the execution of this Contract in accordance with the action taken.

**CARSON CITY, NEVADA**

\_\_\_\_\_  
ROBERT L. CROWELL, MAYOR

DATED this 15th day of June, 2017.

**ATTEST:**

\_\_\_\_\_  
SUSAN MERRIWETHER, CLERK-RECORDER

DATED this 15th day of June, 2017.



June 1, 2017

Eric Von Schimmelmann, Chief Information Officer  
Carson City Hall  
201 N. Carson St., #7  
Carson City, NV 89701

RE: Consulting Services for Procurement of a Replacement Financial System

Dear Von Schimmelmann:

NexLevel Information Technology, Inc. (NexLevel) respectfully submits this proposal to the City of Carson City (City) to provide consulting services to assist in the procurement of replacement of the City's HTE system.

NexLevel will complete a thorough needs assessment of the current HTE environment, document functional requirements and needs, prepare an RFP, and facilitate the selection and negotiation processes.

NexLevel's track record includes supporting over 110 California public agencies. As it relates to the City's needs, we have provided ERP system consulting services to many similar-sized municipalities, utilities, and counties. This benefits the City as we bring real life, hands-on experience with the solutions that are commonly offered to public agencies, as well as proven methods, processes, and tools that help lead to project success. As an example, NexLevel is currently providing ERP consulting services at the following public agencies: City of Redwood City, City of San Ramon, City of Sunnyvale, City of Chino Hills, City of Fremont, City of Glendale, City of Half Moon Bay, City of Indio, City of Manhattan Beach, City of Poway, Placer County, and Douglas County (NV).

To complete this project, NexLevel will utilize a team of consultants with extensive experience in supporting municipal ERP projects using the proposed NexLevel methodology and tools. This team brings the expertise necessary to ensure a quality procurement and selection of the best fit solution.

NexLevel maintains software vendor independence to ensure an unbiased ERP RFP selection process and will not profit from one vendor selection over another. However, we are familiar with the City's current core software application, HTE, as well as the common solutions proposed in today's market. Our team is experienced at discussing the different options available to help the City meet its goals.

As a Founder and Managing Principal of NexLevel, I am authorized to bind and negotiate an agreement between NexLevel and the City of Carson City. I can be contacted at (916) 692-2000, extension 201, or via email at [terry.hackelman@nexlevelit.com](mailto:terry.hackelman@nexlevelit.com).

**Our proven ERP procurement and selection methodology and tools as employed by our experienced team will ensure that the City of Carson City selects the best solution to achieve your short-term and long-term goals.**

Sincerely,



Terry Hackelman, Managing Principal  
NexLevel Information Technology, Inc.

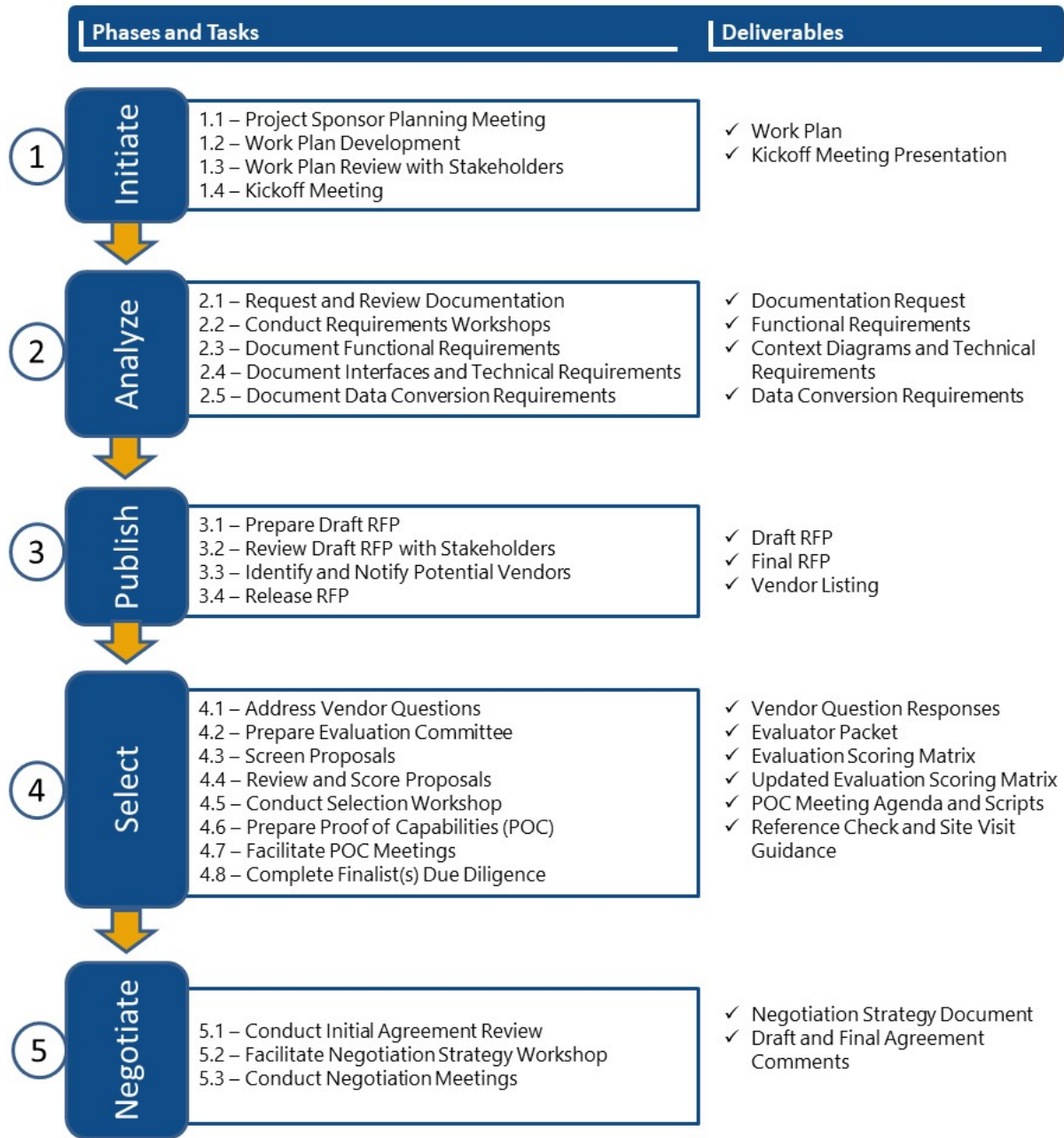
## Scope of Work

NexLevel has a successful history of providing services to meet all requirements of an ERP procurement project. For this project, NexLevel is proposing the use of our proven five phase procurement and selection methodology. Our methodology provides a comprehensive framework that will address all the City's requirements. The five phases include:

1. The **"Initiate"** phase will establish the foundation for effective communication and the successful completion of the project.
2. The **"Analyze"** phase will be conducted and encompass a thorough discovery of the City's specific objectives and needs to ensure all the features, functions and requirements (e.g. user, interface, conversion, technical, etc.) are defined, documented, and communicated through the resulting documents for inclusion in the RFP.
3. The **"Publish"** phase will create a formal, comprehensive request for proposal (RFP) that aligns with the City's procurement requirements.
4. The **"Select"** phase will provide the structure for a fair and organized means to complete the review and decision process to select the best solution presented.
5. The **"Negotiate"** phase will result in formal completion of agreements with the selected ERP solution vendor and the City.

Figure 1 on the following page provides an overview of the phases, activities, and deliverables for our proposed methodology.

Figure 1 – Methodology Overview



In the following pages, we provide a detailed discussion of each phase.

### Phase 1 - Initiate

The purpose of the Initiate Phase is to prepare for, and initiate, the project under a well-defined work plan. This phase includes confirming our understanding, as well as the understanding of the stakeholders, regarding the scope of work and the process for accomplishing the overall objectives of the project.



The remainder of this section will describe the Phase 1 activities and deliverables.

**Table 1– Initiate Phase Tasks and Deliverables**

<b>1.1 Project Sponsor Planning Meeting</b>
<b>TASK DESCRIPTION:</b> NexLevel will meet on-site with the City’s Project Sponsor and other key staff to complete a detailed review of the scope of work, project timeline, deliverables, project status methods, project participants (i.e. sponsor, subject matter experts, technical resources, etc.), and other items to ensure a well-planned project. During this meeting, NexLevel will discuss the tools and templates that will be leveraged.
<b>1.2 Work Plan Development</b>
<b>TASK DESCRIPTION:</b> NexLevel will publish a Work Plan that identifies the project approach, methods, tasks, activities, and resources. <b>DELIVERABLE:</b> Draft Work Plan
<b>1.3 Work Plan Review with Stakeholders</b>
<b>TASK DESCRIPTION:</b> NexLevel will facilitate a meeting with the Project Stakeholder and key project staff to review and obtain feedback on the proposed Work Plan. The goal of this meeting will be to obtain consensus on the Work plan and a commitment to support the Work Plan. <b>DELIVERABLE:</b> Final Work Plan
<b>1.4 Kickoff Meeting</b>
<b>TASK DESCRIPTION:</b> Since the project will have an enterprise-wide impact, it is important to proactively communicate with all impacted staff to ensure a clear understanding of project goals and objectives, roles and responsibilities, approach, tasks, and timeline. The Kickoff Meeting also provides the opportunity to introduce the NexLevel team to City staff and should involve senior level management and project sponsors to provide introduction of this City-wide endeavor. It is important that all City staff that will be involved in the project, regardless of their role, participates in a project kickoff. <b>DELIVERABLE:</b> Kickoff Meeting Presentation

## Phase 2 - Analyze

This phase will allow NexLevel to develop an accurate and clear understanding of the current environment, as this provides the initial baseline from which alternatives will be evaluated. In addition, during this phase it is necessary to identify and prioritize future system features and functions. A key success factor to selecting a best fit solution is having a comprehensive understanding of the City’s true needs and requirements.

The remainder of this section will describe the Phase 2 activities and deliverables.

**Table 2 – Analyze Phase Tasks and Deliverables**

<p><b>2.1 Request and Review Documentation</b></p>
<p><b>TASK DESCRIPTION:</b> NexLevel understands that City staff has limited time to dedicate to this project. Consequently, we will make all efforts to be as prepared as possible before asking for staff time. To accomplish this, NexLevel will request documentation to familiarize ourselves with the current environment, processes, procedures, policies, transaction levels, organizational responsibilities, reports, technical documentation, etc. It is not NexLevel’s intent to create work for the staff with this task - if requested documentation doesn’t exist, then it should not be created now.</p> <p><b>DELIVERABLE:</b> Documentation Request Listing</p>
<p><b>2.2 Conduct Requirements Workshops</b></p>
<p><b>TASK DESCRIPTION:</b> NexLevel will conduct face-to-face workshops with the City’s functional subject matter experts in all City departments. For the Finance Department interviews, the workshops will occur at a functional level (i.e. general ledger, budget, fixed assets, accounts receivable, inventory, purchasing, accounts payable, payroll, grant and project accounting, treasury, human resources, etc.). For other City departments, a single workshop per department will provide the information necessary to complete an analysis of potential ERP applicability for those department functions.</p> <p>In some cases, NexLevel may follow up the workshops requesting that staff demonstrate work practices. The workshops will also explore unmet needs and focus on identifying new features and functions that can improve the existing operations.</p> <p>NexLevel’s approach to conducting the requirements workshops involves more than just gathering information from the City’s subject matter experts. It includes educating and/or collaborating with staff on best practices and how evolving technology capabilities (i.e. workflow, reporting, integration, dashboards, document management, etc.) can be applied to the future environment.</p>
<p><b>2.3 Document Functional Requirements</b></p>
<p><b>TASK DESCRIPTION:</b> NexLevel will utilize the information gathered during Task 2.2 to document the City’s existing and desired functional requirements so that potential vendors have a full understanding of the City’s requirements.</p> <p><b>DELIVERABLE:</b> Functional Requirements Document</p>
<p><b>2.4 Document Interfaces and Technical Requirements</b></p>
<p><b>TASK DESCRIPTION:</b> NexLevel will identify potential required or desired interfaces or integration opportunities between the ERP system and other data repositories. This helps ensure that an integration point or interface is not missed. As part of this task, NexLevel will work with City staff to identify any interface standards that should be included in the RFP (i.e. City preferred interface methods).</p> <p>This task will also include working with the City’s technical team to identify and document all technical standards related to the future ERP system operating environment.</p> <p><b>DELIVERABLE:</b> Context Diagrams and Technical Requirements Document</p>

**2.5 Document Data Conversion Requirements**

**TASK DESCRIPTION:** NexLevel will document the City’s desired data conversion and migration requirements so that potential vendors can include the costs and approach for completing the conversion in their proposals. NexLevel will meet with the City’s technical and business subject matter experts to identify and document data migration and conversion requirements. NexLevel will provide consultation with regards to the pros and cons of the possible approaches and strategies.

**DELIVERABLE:** Data Conversion Requirements Document

**Phase 3 - Publish**

NexLevel will prepare a comprehensive RFP outlining the business and technical requirements. While NexLevel will bring the City proven RFP templates and methods, we will also develop the RFP in accordance with the City’s purchasing guidelines and requirements.

The tasks in this phase will consolidate all relevant information gathered in the prior phases to create an RFP that clearly defines the requirements and objectives of the City. The quality and accuracy of vendor responses are significantly improved using a well-organized, accurate, and clear RFP. A strong RFP is critical as it provides the foundation for evaluating vendors and ultimately provides the basis for a solid agreement between the City and the successful vendor.

The remainder of this section will describe the Phase 3 activities and deliverables.

**Table 3 – Publish Phase Tasks and Deliverables**

**3.1 Prepare Draft RFP**

**TASK DESCRIPTION:** NexLevel will prepare a draft RFP for review by the Project Stakeholders and identified key staff. If the City has an existing preferred RFP template, NexLevel will conduct a review and compare the City templates to NexLevel’s proven ERP RFP template. In addition, if necessary, NexLevel will meet with the City’s purchasing and/or legal resources to verify RFP terms and conditions.

**DELIVERABLE:** Draft RFP

**3.2 Review Draft RFP with Stakeholders**

**TASK DESCRIPTION:** NexLevel recommends that the draft RFP be distributed to the Project Stakeholders and subject matter experts for careful review. After the staff has had the opportunity to review the RFP, NexLevel will conduct a workshop to address any changes, questions, or concerns. The workshop will provide an interactive forum to discuss the RFP content and to ensure a common understanding of the RFP content and upcoming procurement processes.

**DELIVERABLE:** Final RFP

**3.3 Identify and Notify Potential Vendors**

**TASK DESCRIPTION:** While online vendor portal sites provide a valuable channel for making an RFP publicly available, NexLevel believes it is in the City’s best interest to alert qualified vendors of the upcoming RFP release. NexLevel will compile a list of public sector ERP solution vendors. NexLevel will review the listing with the City and assist the City in creating a notification message that can be distributed via email. Timely notification of the City’s intent to release an RFP will help ensure the City attracts quality solution vendors and allow the vendors to be better prepared to provide a timely response.

**DELIVERABLE:** Vendor Listing

**3.4 Release RFP**

**TASK DESCRIPTION:** NexLevel will assist the City in preparing for and releasing the RFP.

**Phase 4 - Select**

The process for selecting the best fit ERP system requires following a structured methodology. Up to this point in the project, the City will have invested heavily in establishing the foundation upon which a best fit selection will be made. The tasks in this phase are focused on ensuring careful and detailed reviews of information provided in response to the RFP are conducted, as well as independent research, validation and verification of content.

The remainder of this section will describe the Phase 4 activities and deliverables.

**Table 4 – Select Phase Tasks and Deliverables**

<b>4.1 Address Vendor Questions</b>
<b>TASK DESCRIPTION:</b> Release of a clear and well-structured RFP will dramatically reduce the number of vendor questions. However, due to the complex nature of ERP procurements, the City should anticipate that vendors will submit questions that must be addressed to ensure quality proposals are received. In this task, NexLevel will assist the City in responding to vendor questions.
<b>4.2 Prepare Evaluation Committee</b>
<b>TASK DESCRIPTION:</b> NexLevel will work with the City to identify the evaluation team and prepare an evaluator’s packet that includes clear descriptions and direction of the evaluation methodology. The packet will also include a scoring template to assist the evaluator in tabulating their results. <b>DELIVERABLE:</b> Evaluator’s Packet
<b>4.3 Screen Proposals</b>
<b>TASK DESCRIPTION:</b> NexLevel will conduct a screening evaluation of all proposals to determine which vendors and proposals meet the mandatory RFP requirements and minimum qualifications. NexLevel will present the results of our screening evaluation to the City. The City can use this information as a guide to determine which proposals require a detailed review.
<b>4.4 Review and Score Proposals</b>
<b>TASK DESCRIPTION:</b> The evaluation team will review and rate the proposals per the evaluation criteria. In addition, NexLevel will review proposals to identify issues, concerns, questions, or clarifications that should be addressed, will provide this information to the evaluation team, and be available to the evaluators for consultation. NexLevel will assist the City in arriving at a preliminary evaluation scoring matrix that identifies a short list of preferred vendors. <b>DELIVERABLE:</b> Evaluation Scoring Matrix
<b>4.5 Conduct Selection Workshop</b>
<b>TASK DESCRIPTION:</b> NexLevel will facilitate a selection workshop with the City’s proposal evaluation committee. NexLevel will use a multi-step facilitation process that encourages evaluator participation and helps drive a consensus on the vendors that appear to be the best fit for the City. <b>DELIVERABLE:</b> Updated Evaluation Scoring Matrix

**4.6 Prepare for Proof-of-Capabilities (POC)**

**TASK DESCRIPTION:** Conducting proof-of-capabilities (POC) sessions with short-listed vendors are a key component of the selection process. This provides the vendors with the opportunity to fully demonstrate their solutions using City provided demonstration scenarios and scripts. As part of this task, NexLevel will develop the POC meeting agenda, scenarios, and scripts for the City to review. In addition, NexLevel can facilitate interaction between the City and the vendors to help ensure the vendor is adequately prepared to complete the POC. The POC provides valuable input into contract negotiations and helps clarify risk areas for special consideration.

**DELIVERABLE:** POC Meeting Agenda and Scripts

**4.7 Facilitate POC Meetings**

**TASK DESCRIPTION:** NexLevel will facilitate the POC sessions to keep vendors on schedule and ensure all POC scripts are completed. At the conclusion of each vendor POC session, NexLevel will facilitate a debrief meeting with the evaluators to capture feedback and update the Evaluation Scoring Matrix accordingly. This information will be used in the final selection report.

**4.8 Complete Finalist(s) Due Diligence**

**TASK DESCRIPTION:** NexLevel will assist the City in planning for and completing reference checks and site visits. NexLevel has templates available to the City to complete reference checks and site visits. While NexLevel is available to conduct the reference checks, it has been our experience that these are best performed by City staff because of the information exchange and opportunity to further network.

**Deliverable:** Reference Check and Site Visit Guidelines

**Phase 5 – Negotiate**

Key terms, conditions, scope, and pricing terms must be fully resolved before concluding a final agreement. We have found that many clients prefer utilizing outside resources for contract negotiations. The purpose of Phase 5 is to formalize and implement a negotiation strategy to ensure the City obtains a favorable contract and all outstanding issues are resolved. NexLevel brings significant experience in contract negotiations that will help ensure an agreement that fully protects the City while supporting a successful implementation.

The remainder of this section will describe the Phase 5 activities and deliverables.

**Table 5 – Negotiate Phase Tasks and Deliverables**

**5.1 Conduct Initial Agreement Review**

**TASK DESCRIPTION:** NexLevel will perform a review and provide feedback of the proposed agreement templates. Based on our experience, the City should expect multiple agreements (i.e. software licensing, maintenance and support, professional services, 3<sup>rd</sup> party software, etc.). NexLevel will provide the City guidance and assistance on the agreement review to help prepare for subsequent negotiations.

**5.2 Facilitate Negotiation Strategy Workshop**

**TASK DESCRIPTION:** NexLevel will facilitate a workshop with key City staff to develop the negotiation strategy. The workshop will focus on outstanding issues and questions, as well as areas of high risk that need to be addressed. A well-planned negotiation strategy reduces the negotiation timeline, reduces frustration among the parties, ensures the City presents a unified front, and reduces the risk that items will be overlooked.

**DELIVERABLE:** Negotiation Strategy Document

**5.3 Conduct Negotiation Meetings**

**TASK DESCRIPTION:** NexLevel will assist the City in preparing for negotiation meetings and will attend to support the City staff. If the City desires, NexLevel is available to facilitate the negotiation meetings. NexLevel will take the lead in recording the minutes from the meetings to capture outstanding items, next steps, and critical dates.

**DELIVERABLE:** Draft and Final Agreement Comments

**Project Management (Optional)**

NexLevel is available and prepared to provide ongoing ERP implementation support. Our services include project management, chart of accounts analysis and development, conversion assistance, quality assurance, testing support, and other services that help ensure a successful implementation.

**Work Plan**

Based on our experience with similar projects, we estimate the project will require 6 – 9 months. The actual schedule will be dependent upon the availability of City staff throughout the project and the availability of vendors throughout the process.

NexLevel has the ability accelerate the above timeline and is open to discussions on how that will impact City staff to ensure a realistic expectation is established.

## Level of Effort and Cost

NexLevel fees are based upon the amount of time required to complete each phase in a thorough and professional manner. We propose to complete this project for a not-to-exceed (fixed) cost of \$74,575. This is based on NexLevel's level of effort of 409 hours at \$175/hour (\$71,575) plus travel expenses (\$3,000). We believe that this level of effort is required to assist the City with this complex project as the outcome will have a significant impact on the City's operations for years to come.

Throughout the project NexLevel will collaborate with the City on the assignment and completion of tasks. We recognize that it may be determined that some tasks in our proposal will not need to be completed or can be completed by City staff. It is also recognized that some tasks may be amended based on project progress and to achieve the timeline goal.