

**AGREEMENT WITH PLANTE & MORAN, PLLC
FOR PROFESSIONAL CONSULTANT SERVICES
FOR
FINANCIAL SYSTEM REPLACEMENT SUPPORT**

This Agreement, made and entered into this day of _____, by and between the **CITY OF SAN MATEO**, a municipal corporation existing under the laws of the State of California ("CITY"), and **PLANTE & MORAN, PLLC** a professional limited liability company, ("CONSULTANT"), whose address is 27400 Northwestern Highway, P.O. Box 307, Southfield, MI 48037-0307.

RECITALS:

A. CITY desires certain financial system replacement support services hereinafter described.

B. CITY desires to engage CONSULTANT to provide these financial system replacement support services by reason of its qualifications and experience for performing such services and CONSULTANT has offered to provide the required services on the terms and in the manner set forth herein.

NOW, THEREFORE, IT IS AGREED as follows:

SECTION 1 - SCOPE OF SERVICES

The scope of services to be performed by CONSULTANT under this Agreement is as described in Exhibit A to this Agreement, attached and incorporated by reference.

SECTION 2 - DUTIES OF CONSULTANT

CONSULTANT shall be responsible for the professional quality, technical accuracy and coordination of all work furnished by CONSULTANT under this Agreement. CONSULTANT shall, without additional compensation, correct or revise any errors or deficiencies in its work.

CONSULTANT represents that it is qualified to furnish the services described under this Agreement.

CONSULTANT shall be responsible for employing or engaging all persons necessary to perform the services of CONSULTANT.

SECTION 3 - DUTIES OF CITY

CITY shall provide pertinent information regarding its requirements for the project.

CITY shall examine documents submitted by CONSULTANT and shall render decisions pertaining thereto promptly, to avoid unreasonable delay in the progress of CONSULTANT's work.

SECTION 4 - TERM

The services to be performed under this Agreement shall commence on July 21, 2020 and be completed on or about May 31, 2021.

SECTION 5 - PAYMENT

Payment shall be made by CITY only for services rendered and upon submission of a payment request. In consideration for the full performance of the services set forth in Exhibit A, CITY agrees to pay CONSULTANT fees up to the amount of funds appropriated for this project, pursuant to rates stated in Exhibit B to this Agreement, attached and incorporated by reference.

SECTION 6 - TERMINATION

Without limitation to such rights or remedies as each party shall otherwise have by law, each party shall have the right to terminate this Agreement or suspend work on the Project for any reason, upon ten (10) days' written notice to the other party. CONSULTANT agrees to cease all work under this Agreement upon sending or receipt of said written notice.

Upon termination and upon CITY's payment of the amount required to be paid, documents prepared by CONSULTANT in connection with the services provided, and intended for delivery to CITY, become the property of CITY, and CONSULTANT shall transfer them to CITY upon request without additional compensation.

SECTION 7 - OWNERSHIP OF DOCUMENTS

All documents prepared by CONSULTANT in the performance of this Agreement and intended for delivery to CITY, although instruments of professional service, are and shall be the property of CITY, whether the project for which they are made is executed or not.

SECTION 8 - CONFIDENTIALITY

All reports and documents prepared for CITY by CONSULTANT in connection with the performance of this Agreement are confidential until released by CITY to the public. CONSULTANT shall not make any such documents or information available to any individual or organization not employed by CONSULTANT or CITY without the written consent of CITY before any such release, except as required by law, regulations, court order, subpoena, or other compulsory legal process.

SECTION 9 - INTEREST OF CONSULTANT

CONSULTANT covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services under this Agreement.

SECTION 10 - CONSULTANT'S STATUS

It is expressly agreed that in the performance of the professional services required under this Agreement, CONSULTANT shall at all times be considered an independent contractor as defined in Labor Code Section 3353, under control of the CITY as to the result of the work but not the means by which the result is accomplished. Nothing herein shall be construed to make CONSULTANT an agent or employee of CITY while providing services under this Agreement.

SECTION 11 - INDEMNITY

CONSULTANT agrees to hold harmless and indemnify CITY, its elected and appointed officials, employees, and agents from and against any and all claims, loss, liability, damage, and expense to the extent arising out of CONSULTANT's performance of this Agreement, except those claims, losses, liabilities, damages, or expenses, arising out of CITY's sole negligence or willful misconduct. CONSULTANT agrees to defend City, its elected and appointed officials, employees, and agents against any such claims.

SECTION 12 - INSURANCE

CONSULTANT shall procure and maintain for the duration of the contract and three years thereafter (five years for building or major improvements) the insurance specified in Exhibit C to this Agreement.

SECTION 13 - NON-ASSIGNABILITY

Both parties hereto recognize that this Agreement is for the personal services of CONSULTANT and cannot be transferred, assigned, or subcontracted by CONSULTANT without the prior written consent of CITY.

SECTION 14 - RELIANCE UPON PROFESSIONAL SKILL OF CONSULTANT

It is mutually understood and agreed by and between the parties hereto that CONSULTANT is skilled in the professional calling necessary to perform the work agreed to be done under this Agreement and that CITY relies upon the skill of CONSULTANT to do and perform the work in the most skillful manner, and CONSULTANT agrees to thus perform the work. The acceptance of CONSULTANT's work by CITY does not operate as a release of CONSULTANT from said obligation.

SECTION 15 - WAIVERS

The waiver by either party of any breach or violation of any term, covenant, or condition of this Agreement or of any provisions of any ordinance or law shall not be deemed to be a waiver of such term, covenant, condition, ordinance or law or of any subsequent breach or violation of the same or of any other term, covenant, condition, ordinance or law or of any subsequent breach or violation of the same or of any other term, condition, ordinance, or law. The subsequent acceptance by either party of any fee or other money which may become due hereunder shall not be deemed to be a waiver of any preceding breach or violation by the other party of any term, covenant, or condition of this Agreement or of any applicable law or ordinance.

SECTION 16 - SEVERABILITY

If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

SECTION 17 - COSTS AND ATTORNEY FEES

Attorney fees in total amount not exceeding \$5000, shall be recoverable as costs (by the filing of a cost bill) by the prevailing party in any action or actions to enforce the provisions of this Agreement. The above \$5000 limit is the total of attorney fees recoverable whether in the trial court, appellate court, or otherwise, and regardless of the number of attorneys, trials, appeals, or actions. It is the intent of this Agreement that neither party shall have to pay the other more than \$5000 for attorney fees arising out of an action, or actions to enforce the provisions of this Agreement.

SECTION 18 - NON-DISCRIMINATION

CONSULTANT warrants that it is an Equal Opportunity Employer and shall comply with applicable regulations governing equal employment opportunity. Neither CONSULTANT nor any of its subcontractors shall discriminate in the employment of any person because of race, color, national origin, ancestry, physical handicap, medical condition, marital status, sex, or age, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment and Housing Act.

SECTION 19 - MEDIATION

Should any dispute arise out of this Agreement, any party may request that it be submitted to mediation. The parties shall meet in mediation within 30 days of a request. The mediator shall be agreed to by the mediating parties; in the absence of an agreement, the parties shall each submit one name from mediators listed by either the American Arbitration Association, the State Mediation and Conciliation Service, or other agreed-upon service. The mediator shall be selected by a blind draw.

The cost of mediation shall be borne equally by the parties. Neither party shall be deemed the prevailing party. No party shall be permitted to file a legal action without first meeting in mediation and making a good faith attempt to reach a mediated settlement. The mediation process, once

commenced by a meeting with the mediator, shall last until agreement is reached by the parties but not more than 60 days, unless the maximum time is extended by the parties.

SECTION 20 - LITIGATION

CONSULTANT shall testify at CITY'S request if litigation is brought against CITY in connection with CONSULTANT's services under this Agreement. Unless the action is brought by CONSULTANT, or is based upon CONSULTANT's wrongdoing, CITY shall compensate CONSULTANT for preparation for testimony, testimony, and travel at CONSULTANT's standard hourly rates at the time of actual testimony.

SECTION 21 - NOTICES

All notices hereunder shall be given in writing and mailed, postage prepaid, addressed as follows:

To CITY:	<i>Rich Lee City of San Mateo 330 West 20th Avenue San Mateo, CA 94403</i>
To CONSULTANT:	<i>Plante & Moran, PLLC Attn: Adam Rujan 27400 Northwestern Highway P.O. Box 307 Southfield, MI 48037-0307</i>

SECTION 22 - AGREEMENT CONTAINS ALL UNDERSTANDINGS; AMENDMENT

This document represents the entire and integrated agreement between CITY and CONSULTANT and supersedes all prior negotiations, representations, and agreements, either written or oral.

This document may be amended only by written instrument, signed by both CITY and CONSULTANT.

SECTION 23 - AUTHORITY TO ENTER INTO AGREEMENT

CONSULTANT has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

SECTION 24 - GOVERNING LAW AND VENUE

This Agreement shall be governed by the laws of the State of California and, in the event of litigation, venue will be in the County of San Mateo.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, CITY OF SAN MATEO and PLANTE & MORAN, PLLC have executed this Agreement the day and year first above written.

CITY OF SAN MATEO

CONSULTANT

Drew Corbett
City Manager

Adam Rujan
Its Authorized Agent
Partner

APPROVED AS TO FORM

Barbara Choi
Assistant City Attorney

Attachments:

Exhibit A: Scope of Services
Exhibit B: Fee Rates
Exhibit C: Insurance Requirements

EXHIBIT A

SCOPE OF SERVICES

5. Project Approach



Overview of Project Approach

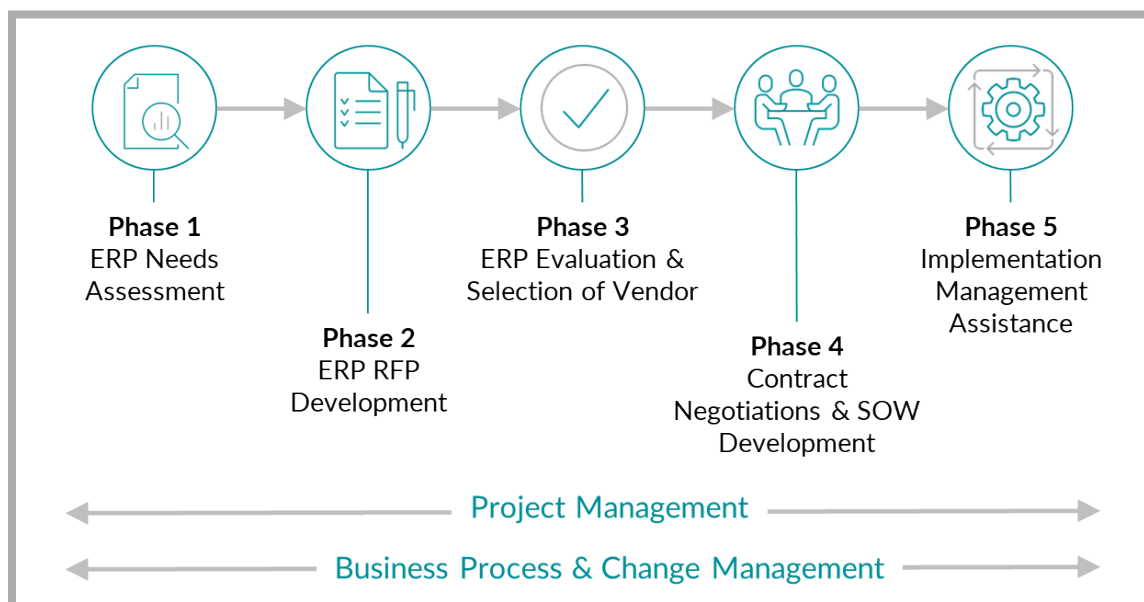
Having performed similar ERP projects for many large, local units of government over the years, Plante Moran's seasoned project consultants have developed and refined a proven methodology and set of related tools that provide outstanding and valued service to our clients by leveraging best practices while incorporating the unique needs of our clients. Our approach consists of engaging a qualified project team to develop, refine and execute a proven project plan to meet the project objectives. The rigor and unbiased nature of our process and supporting tools and technologies is evidenced by the fact that despite having performed ERP selections for nearly thirty years, we have never had a protest of the process or decision by any vendor during that period of time. As a result, the City can feel comfortable that the rigor of our process will significantly reduce the risk of this project.

Our methodology, further detailed in the following section, includes five key phases to assist the City with the selection of the right solution, negotiation of a contract with the selected ERP vendor, and subsequent implementation management assistance to include the following functional areas identified by the City as in-scope:

- System Administration
- General Ledger
- Cashiering (POS)
- Project Accounting
- Payroll, Budget
- Human Capital Management
- Accounts Payable
- Accounts Receivable
- Purchasing
- Planning/Building

For purposes of this engagement, "City" also includes the San Mateo Consolidated Fire Department and the San Mateo – Foster City Public Financing Authority.

Please see the Appendix – Exhibit 1 for a more detailed view of tools and templates we would utilize.



Detailed Project Approach Proposed

Phase 0: Project Management

Phase Objective and Summary of Activities. The purpose of this phase is to conduct activities that are relevant to managing the project and enhancing its success for City. The major activities to be performed are as follows:

- Develop a Project Organizational Structure that defines staff roles and expectations
- Develop a Project Charter that provides a framework from which the project will progress (Deliverable 1)
- Develop a detailed Project Plan identifying the activities, responsibilities and timing of tasks necessary to complete the project (Deliverable 1)
- Establish a Project Collaboration Environment to act as a repository for project information
- Conduct periodic project status meetings to monitor project progress

Project Initiation

A project initiation meeting will be conducted to introduce the project team, finalize the project scope, deliverables and timetables. These objectives will be accomplished through the development of a project organizational structure, project charter, detailed project plan and regularly scheduled progress meetings. These steps are described below.

Define Project Organizational Structure

Our approach to each consulting engagement is structured to provide the services and level of professional support required to meet the individual needs of the client. We will work jointly with the key City contacts to design a process that will meet the overall needs of City. As standard practice in the majority of our engagements, especially those related to technology and process transformation, we have designed a very collaborative approach to ensure a high probability of success. During the early stages of the project we suggest creating a cross-functional group of representatives from essential departments to be involved in the process. We would expect City to identify the appropriate individual participants.

Develop Project Charter

During project initiation, a Project Charter will be developed that will provide a framework for the following areas of focus:

- Project overview
- Project influences
- Project staffing
- Vision statement
- Scope plan (both in and out of scope items).
- Communication plan

The Project Charter will be provided to the City for review and approval prior to significantly commencing project activities.

Develop Detailed Project Plan

We will work with the City to incorporate the following into a detailed Microsoft Project™ Plan:

- Major phases and milestones
- Work tasks and their due dates with assigned responsibility

We will work with the City's project manager during this activity to design a Project Plan for the contracted project phases which is appropriate and meets the City's overall priorities.

Establish Project Collaboration Center

Over the last few years, collaboration environments such as Microsoft SharePoint have become increasingly viable tools in which to establish project collaboration environments for small, mid-size and large-scale projects. These environments can serve a variety of purposes including acting as a repository for documentation developed during the course of an ERP engagement.

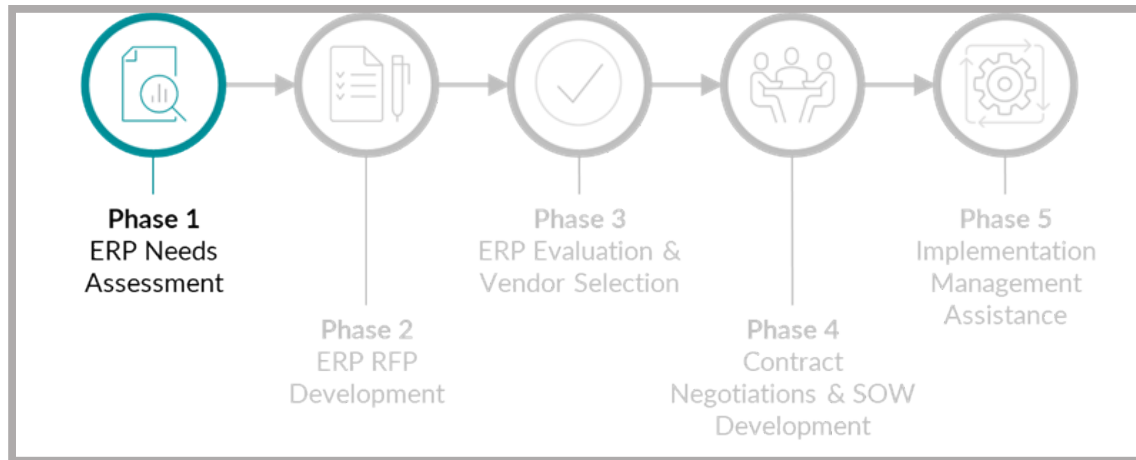
During this activity, we will work with the City to assist in establishing a Project Collaboration Center including design, structure, security and content.

Schedule and Moderate Project Status Meetings

We believe frequent communication and a "no surprises" philosophy are the keys to a successful project. Problems can either be avoided or addressed early on, to minimize wasted effort and keep the project on schedule. At a minimum, we anticipate regular status updates with the City's project manager to:

- Report on the status of the Project Plan and timeline
- Reschedule tasks as necessary and update Project Plan
- Discuss major open issues and develop strategies to address them
- Document decisions

Phase 1: ERP Needs Assessment / Gap Analysis



Phase Objective and Summary of Activities. The purpose of this phase is to conduct a needs assessment around process areas relevant to the project for the purpose of identifying opportunities for improvement and recommendations for the City's future ERP strategy. This phase will identify deficiencies within current systems that can be enhanced with a new ERP software solution and propose opportunities for improved system design and efficiency. Activities to be included in this phase are as follows:

- Obtain and review relevant documents to obtain background information on the current and desired ERP environment
- Assess the City's current technology infrastructure and ERP environment
- Conduct interviews with key stakeholders
- Develop an ERP Needs Assessment / Gap Analysis Report (Deliverable 2) which includes current business practices and areas in which current needs are not being met by the current ERP solution,
- Develop an Action Plan (Deliverable 4) that includes an issues and opportunities matrix, a plan to implement the recommended solution, prioritization of solution requirements, suggested time frames, necessary City staff resources and allocation of time

1. Review Documents

Plante Moran will review any available existing documentation gathered and provided by the City to gain a comprehensive understanding of the City's ERP-related operations and current technologies. An example of documents to be reviewed includes the following:

- Organizational charts
- Previous studies that are relevant to the project
- Relevant process and function descriptions/handbooks, master IT and operation plans, activity / program offerings
- Pre-existing workflow documentation/flowcharts, such as those that has already developed

- Relevant hardware, software and network diagrams, and/or other documents, illustrating the layout, networking, etc.
- City standards for hardware, software, network operating systems, configurations and protocols, etc.
- Existing Tyler Eden 'desk manuals' and system documentation
- Listing of existing systems supporting the various business processes that will be evaluated for potential replacement or interfacing to a new ERP system
- Listing of additional "shadow systems" and non-integrated systems
- Critical systems to be interfaced with new ERP software
- Outstanding enhancement requests on your Tyler Eden ERP system and relevant system(s)

Assess the City's Information Technology Infrastructure

We will distribute a technical questionnaire for the City's completion and perform an interview with staff directly involved with supporting the City's current technical environment. The results of reviewing documentation and interviewing staff will allow us to identify and document the legacy technologies, infrastructure, and facilities. The potential implementation and administration of a new software solution will require a thorough and responsive support and communication infrastructure. To this end, we will identify and document the current environment for inclusion in an ERP vendor RFP as well as identify preliminary high-level general recommendations related to supporting technologies that must be implemented well in advance of obtaining more detailed technical environment requirements from ERP software vendors as part of their proposals.

Conduct Interviews

After reviewing the documentation collected, Plante Moran will conduct up to 15 days of interviews with teams representing departments directly involved with the City's municipal business processes and systems.

During the interviews, we will discuss key current business and technological workflows in order to further define the current systems and required system interfaces. These sessions will focus on reviewing sub-functions that are performed within each of the areas above to discuss both system and operational areas.

During the interviews, we will discuss key current business processes and technological workflows in order to perform the following key items:

- Identify issues and areas of opportunity for improvement based on industry best practices
- Review and identify any unique requirements that are needed by City
- Determine if current systems are being utilized to their full capacity
- Define current systems and required system interfaces
- Develop business use cases (scenarios) detailing improvements so they are recognized in operational (tangible) terms

- Prioritize the use cases by assigning weighting to business outcomes
- Associate business use cases with their relevant business specifications
- Database of prioritized functional and technical ERP systems specifications for inclusion in the RFP process
- Future-state process diagrams reflecting process gap improvements
- Identify options and an overall recommendation for a future ERP strategy for City

Prepare Draft ERP Needs Assessment and Action Plan Report

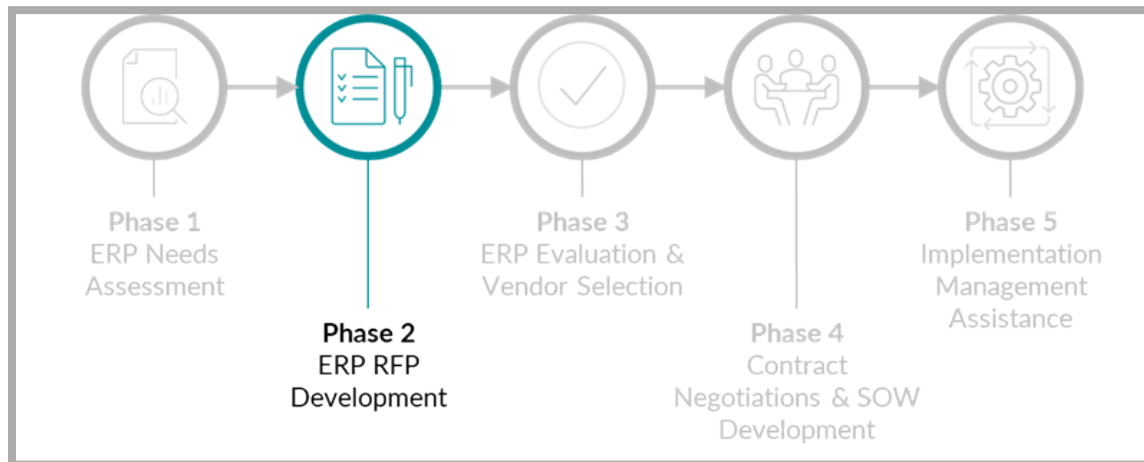
We propose developing a combination Needs Assessment and Action Plan Report (Deliverables 2 &4) that will be developed based on the interview findings and contain the following:

- Documented current and future state business process maps highlighting areas for business process improvement and increased efficiency through ERP system automation
- Prioritization of solution requirements
- An issues and opportunities matrix
- Options analysis and overall recommendation for City's future ERP implementation strategy and Action Plan including key considerations for next steps which include but are not limited to:
 - Potential risks
 - Anticipated timeline and deployment method
 - Single ERP solution vs. multiple system "best of breed" approach
 - Total Cost of Ownership (TCO) estimate: Estimate of the TCO for each proposed option, including internal costs (staffing to implement and support system), and external costs (software license / SaaS fees, hardware costs, etc.)
- Marketplace Overview, including currently available ERP systems, trends in the ERP market, and other relevant information.
- An inventory of systems used throughout City and provide recommendations on each system's future use.
- Develop preliminary Application Migration Plan for each system classifying each system.

Finalize and Present ERP Needs Assessment and Action Plan Report

Upon review and feedback from City staff on the draft ERP Needs Assessment report, we will prepare a final report and formal presentation summarizing the results of the assessment including our associated recommendations for presentation and final approval by City Leadership.

Phase 2: ERP RFP Development



Phase Objective and Summary of Activities. The purpose of this phase is to develop a Request for Proposal (RFP) for purposes of soliciting responses from vendors who provide ERP implementation services and solutions for entities similar in size and complexity to the City. This will include the following activities:

- Define Solution Selection Criteria and Weighting Factors to evaluate vendor responses
- Define a Decision-Making process that will be used to guide the evaluation and ultimate decision on a selected vendor
- Develop and distribute a Request for Proposal (RFP) to providers of ERP software solutions (Deliverable #3)

1. Develop Solution Selection Criteria and Define Decision-Making Process

- Our selection approach will enable the City to identify the overall finalist, in conjunction with other due diligence tasks (i.e., reference checks, site visits, and successful contract negotiations). Before proceeding with release of the RFP, the Steering Committee should meet to delineate the selection criteria and weighting factors that will be used to analyze Request for Proposal (RFP) responses and additional analysis for the finalist vendors. We will work with the selection committee to define criteria appropriate to the circumstances and environment of the City. We typically use a tiered process in which to reach the finalist decision. For example, the City may wish to specify minimum criteria that all responding vendors are required to meet in order for their bid response to be considered (e.g., minimum population size of municipality with installation of the current version of their software, bid response does not exceed a particular dollar figure, etc.). For those vendors meeting the initial criteria, their bid responses will be evaluated

against a second level of criteria prior to any formal due diligence activities, vendor demonstrations, etc. This evaluation will be based solely on their RFP response. The top two or three vendors that score the highest on this second round of scoring will be considered the finalist vendors.

- Categories of criteria and sub-criteria are established along with weightings to conduct an unbiased scoring of the finalist vendors. Scoring of the finalist vendors can be conducted in a group setting with all members of the selection committee developing a single score or conducted individually by members of the selection who will score vendors in areas that they have comfort in scoring.

An Excel template we have used on many client assignments will be used to record the scores and calculations, allowing for a numerical ranking of the proposed solutions to be calculated. We feel it is important to establish this scoring prior to release of the RFP such that it removes as much bias as possible from the selection process. Additionally, we will normally describe the detailed evaluation process in the RFP itself such that the vendors understand how their solution is being evaluated.

Develop Request for Proposal (RFP) Document

We will develop a single ERP RFP document to solicit responses in a format that will ease analysis. The RFP will be developed with the intent of maximizing functionality requested from a single ERP vendor. We will structure the RFP and encourage a single, prime contractor vendor willing to partner with other vendors in order to provide the City with a complete solution. The RFP will be tailored to the City's unique purchasing requirements based on the project activities performed, but is minimally expected to include the following:

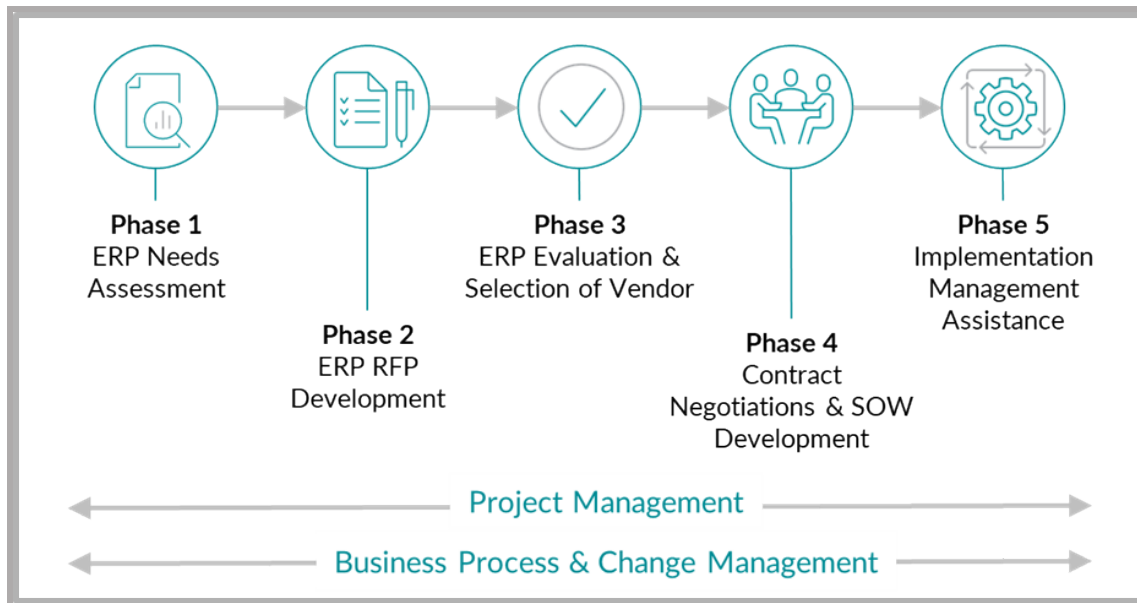
- Background information on the City and the scope of the project
- A discussion of the timeline and approach being taken by the City to select a finalist software solution
- Guidelines for ERP software and implementation vendors to submit proposals
- ERP software specifications (as developed in Phase 1)
- Various forms for the vendors to complete and return
- Attachments as appropriate

Distribute Request for Proposal (RFP) Document

We will distribute the RFP to the City for review and feedback. We will incorporate all feedback and necessary revisions before the City approves, finalizes and distributes the RFP.

During this activity, we will provide consultation to the City project manager and selection committee regarding the ERP marketplace and appropriate distribution protocols including: advertising, bid services, and other methods to solicit responses.

Phase 3: ERP Solution Selection



Phase Objective and Summary of Activities. The purpose of this phase is to conduct due diligence activities associated with respondents to the RFP and to assist the City in conducting due diligence activities to reach a selected vendor decision. Activities will include:

- Manage ERP Vendor Q&A prior to the proposal due date
- Present Proposal Response Analysis (Deliverable #5)
- Conduct additional due diligence activities (i.e., vendor demonstrations, reference checking, site visits, etc.)
- Conclude on selected vendor

1. Manage ERP Vendor Q&A During Pre-Proposal Due Date Timeframe

We anticipate that City procurement policy would, as is common with many municipalities, require that City staff be the formal key point of vendor contact for the RFP. As a primary resource in the detailed development of the RFP, we would anticipate, along with the City's project team, having one of the most detailed comprehensive understandings of the overall requirements of the joint-consultant - City project team. As such, and in accordance with typical municipal procurement practices for RFPs, we would expect that the City's purchasing staff would act as the first line of vendor communication and interaction for a formal written Q&A and proposal clarification process.

Plante Moran would support this activity by working to draft the responses to the City compiled list of vendor questions. We would develop draft responses based on our understanding of the City's expectations established during prior project activities. We would then work with the City to identify the appropriate City resources for any additional or supplemental, review and clarification. As the draft is completed, the City's project team and potentially the Steering Committee will review the draft responses. Feedback will be captured, and revisions will be made before the document is finalized and distributed by City purchasing staff either directly or via the bid services based upon methods described in the RFP.

2. Analyze Proposals and Select Semi-Finalists

Vendors will be instructed to complete the forms in the RFP and return them in a digital format with their proposals. Through a semi-automated process, we have successfully used numerous times, we will then tabulate the responses. A percent compliance will be calculated and incorporated into a proposal comparison template we have developed. When combined with a variety of other comparative criteria gathered from the proposals, the template automatically calculates a blind numerical ranking of each. This eliminates any bias from influencing the selection process. The templates will allow the City to measure each vendor on:

- Conformance with the specifications
- Software licensing costs (including core and non-core components)
- Hardware purchase costs
- Implementation, training, conversion, and modification services costs
- On-going support costs
- Contract terms and implementation schedule compliance
- General background criteria (e.g., number of installations, historical financial performance, number of support staff, platforms supported, etc.)

As part of this initial analysis, we will assess each of the vendors' solutions and meet with the City to present the comparative proposal analysis. Together, we will use the decision-making process determined above to select the two or three most qualified vendors who may be subjected to the due diligence tasks described in the following work plan tasks.

Assist in Developing Vendor Demonstration Materials and Other Due Diligence Templates

We will assist the City in the development of materials to use during the vendor demonstration and due diligence activities including vendor demonstration agenda, letters to send to those vendors who are proceeding forward upon receipt of their RFP responses as well as letters to send to those vendors whose solutions are not being considered based on initial review of their RFP responses, and forms to document vendor information during the vendor demonstrations, reference checking and potential site visit processes

We will also work with the City in the development of detailed demonstration scripts that are intended to direct the vendor demonstrations towards the needs of the City. These scripts are

intended to have the vendors demonstrate their products according to desired business processes within the City. Furthermore, these scripts allow for a more standardized process from which to compare the vendors.

Schedule and Conduct Vendor Demonstrations

On behalf of the City, we will facilitate the software demonstrations by providing logistic advice, agendas and scripts. We would also anticipate participating in up to nine days of on-site attendance at the demonstrations (up to three days each for up to three vendors). The demonstrations will be held at the City and should include a cross-section of staff from the City. Evaluation forms will also be provided as a checklist for scoring each vendor's performance and functionality. We would envision conducting a debrief discussion with the City project team after the demonstrations to review the results of the evaluation.

Conduct Additional Due Diligence Activities

In addition to vendor demonstrations, we will assist the City with additional due diligence activities on the finalist vendors including:

- Preparation for site visits
- Providing forms to the City for reference checking to assess how well others have adapted the semifinalists' systems to their needs and identify issues to address during contract negotiations. We have found that having City staff contact their peers at the reference sites results in more productive and informative conversations. As such, we will oversee the reference checking and site visit process, but not perform the checking ourselves.

Assist in the Selection of a Preferred Vendor

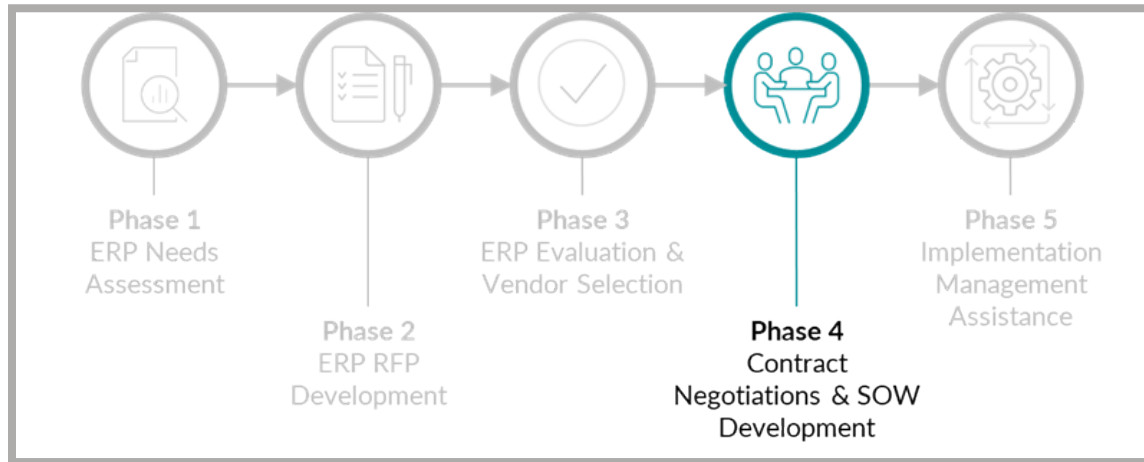
We will meet with the City to review the due diligence information gathered. It is possible that there may be a need to have the final two vendors conduct a final software demonstration to City staff that will focus on very specific areas of review.

In our experience, due diligence activities conducted after vendors have responded to an ERP RFP provide further understanding for the client as to what is being offered by the software vendors as well further understanding by software vendors as to the needs of the client. We would propose that the semi-finalist vendors be requested to provide a clarification response to their original RFP to address specific questions that the City has related to their solution to include a final cost proposal.

Together, based on those demonstrations, vendor proposals and other due diligence activities, we will review and discuss the semi-finalist vendors overall solution and facilitate up to five meetings with the Project Steering Committee to proceed forward with deciding on a finalist vendor using the decision-making process developed previously. At the City's request, we will develop a synopsis of the entire system selection process for the City to present to the City

Council to support the Committee's finalist recommendation, intending to gain concurrence from the Council to proceed with contract negotiations.

Phase 4: ERP Contract Negotiations



Phase Objective and Summary of Activities: The purpose of this phase is to assist the City in the development of a comprehensive Statement of Work and provide input and support to the City to assist the City with its negotiation of a contract with the primary selected ERP vendor. This will include the following activities:

- Develop Statement of Work with selected vendor
- Develop Negotiated Contract with selected vendor (Deliverable #6)

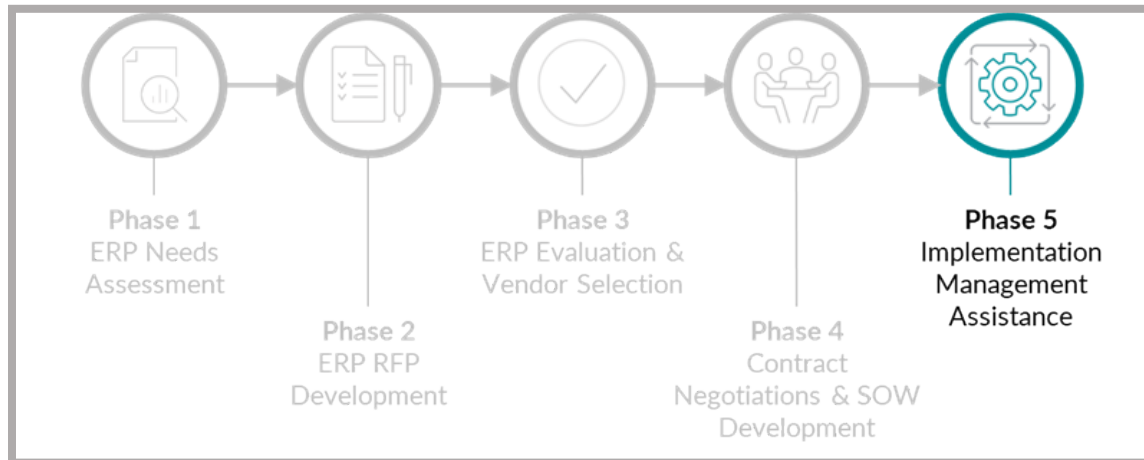
1. Support the City's Contract Negotiations including Developing Statement of Work

We will review the license and support agreements provided by the primary finalist vendor and propose recommended changes to the contract. We will participate with the City in planning the negotiations with the primary finalist vendor. Contractual terms, conditions, and costs will be reviewed with the goal in mind of recommending contract language changes designed to protect the City's long-term interests. A draft of the final license and support agreements will be presented to the City's legal counsel for their review.

Terms and conditions relating to term and termination of the agreements, purchase and support costs, caps on price increases, recourse for non-performance by the vendor, software acceptance criteria, rights to the source code if vendor declares bankruptcy, warranties and incorporation of the vendor's response to the RFP, governing law, insurance coverage requirements, rights to major new releases, payment terms tied to major deliverables, controls over expenses, development of an implementation plan, on-going support criteria, etc., will be reviewed. The City will conduct vendor negotiations and make all management decisions.

During this activity, based on funding availability and preferences, the City will determine and conclude on the specific scope of software, services and optional items which it will purchase from the finalist vendor(s). As part of this activity we will also review work the Statement of Work developed by the selected software vendor and provide input to the City for consideration before finalizing.

Phase 5: Implementation Management Assistance



Phase Objective and Summary of Activities. The purpose of this phase is to assist the City in the implementation and acceptance of the selected ERP vendor solution (Deliverable #7). Given our experience conducting similar ERP projects, we anticipate the implementation timeline would be 18 – 24 months. However, the actual implementation timeframe and cost will be dependent upon a variety of factors, including:

- Scope of solution and services selected by the City
- Availability of City staff
- Availability of vendor staff
- Expiration date of current maintenance contracts
- City's desired implementation approach (i.e., phased versus "big bang")
- Complexity of implementation (e.g., high number of interfaces, etc.)
- Ability of the City to budget funds towards approaches to minimize the implementation duration

We would expect to develop an implementation schedule in conjunction with the City's project management team and or Steering Committee as well as the selected ERP vendor during the initiation activities of the project. For any new system implementation, we would include the selected vendor during the initiation activities of the project to create the implementation schedule and plan. The following summary activities are examples of the types of services Plante Moran team can provide the City. A detailed sample listing of tasks can be found in the Appendix - Exhibit 4.

1. Project Initiation and Implementation Planning

As part of the initiation and planning phase of an implementation project, there are a number of project activities that will be performed by the City, the finalist vendor and /or selected consultant, to ensure that a solid foundation for moving forward has been established. The level of consulting implementation effort can vary significantly based upon level client involvement and participation as well as the level of services being provided by the vendor. We

anticipated that we would re-evaluate the required level of effort of support at the conclusion of Phase 4 to best meet the needs of the City.

We would envision working with the City and the finalist vendor throughout these project initiation activities to conclude on the roles and responsibilities of all parties based on the scope of our consulting hours allocation.

2. 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.

3. 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.

6. Project Schedule



Project Schedule

Based on an expected July 2020 project kick-off we have prepared the following project plan for the City's review. This example plan was developed based on past project experience and can be tailored to meet the City's needs. Our team will work in collaboration with the City to develop a proposed schedule that will accommodate the needs of project stakeholders.

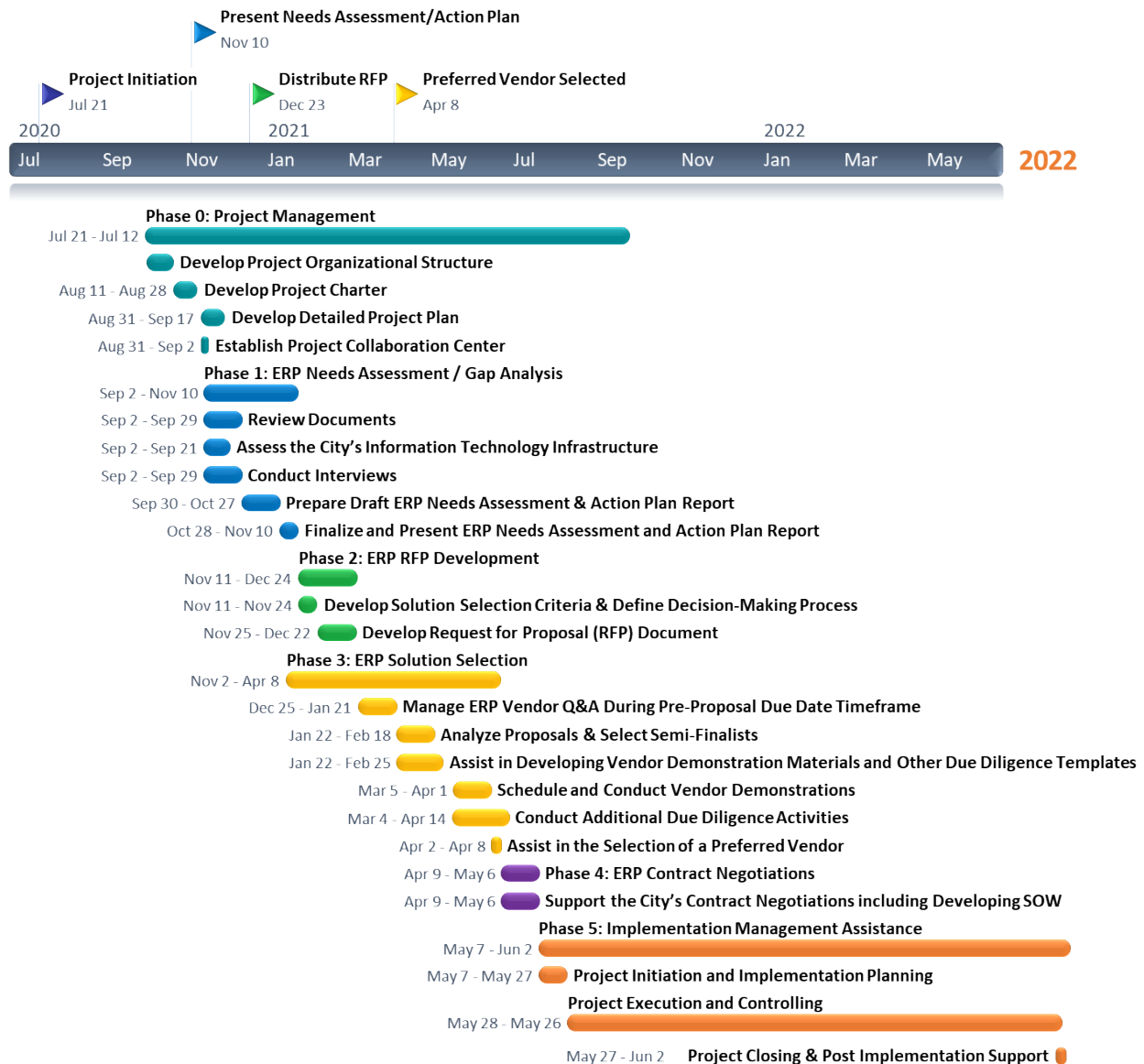


EXHIBIT B

FEE RATES

7. Project Budget



Project Budget

Phases 0-4

Plante Moran proposes a firm, fixed-fee schedule for the scope of services provided in **Phases 0-4 not to exceed \$201,020***, inclusive of travel and incidental expenses. We will invoice our fees monthly based upon progress toward completing deliverables.

We would like to emphasize that our cost and work plan are flexible. We would welcome the opportunity to work with the City to finalize a work plan and associated costs to best meet the needs of the City.

* Pricing outlined is based upon the project fee assumptions provided within this cost proposal.

Totals by Phase	Hours	Fees
Phase 0: Project Management	120	\$27,600
Phase 1: ERP Needs Assessment	338	\$77,740
Phase 2: ERP RFP Preparation	100	\$23,000
	196	
Phase 3: ERP Evaluation & Vendor Selection		\$45,080
Phase 4: Contract Negotiations & SOW Development	120	\$27,600
Phase 5: ERP Implementation Management Assistance	TBD	TBD
Total:	874	\$201,020

Blended Hourly Rate: \$250/hour for all staff inclusive of incidental expenses for additional services to be provided with written acceptance by both parties.

Phase 5

Implementation management assistance can vary significantly based upon the specific system selected, and client staff availability. Upon selection of the City's ERP vendor, and completion of the solution provider's SOW, we will work with the City to develop a detailed SOW for implementation assistance. Services will be provided at our blended rate of \$250/hour.

Project Fee Assumptions

Our project fees are based on the following assumptions. Should these assumptions change, we would adjust our professional fees accordingly in consultation with the City.

- Project stakeholders will be available to attend meetings as defined in the approved project schedule developed for each of the project phases. Based on the current COVID-19 travel restrictions, Plante Moran envisions it will complete all project tasks during phases 0-4 off-site. The City reserves the right to request on-site activities. In this case, the travel and expense cost for on-site visits can be directly billed to the City in line with our firm travel guidelines or we can apply a fully loaded rate that will include travel. Both parties acknowledge at the onset of the project, the expectation is that interviews, status meetings, project meetings, and presentations will be completed remotely.
- Plante Moran recognizes that time is of the essence to complete this project and it will ensure its staff resource capacity will fulfill the scope of services outlined in this proposal.
- All onsite work activity will be confirmed at least two weeks prior to the agreed upon travel date; any travel change costs incurred after such date will be expensed to the City at actual cost. This additional cost will be over and above the not-to-exceed fee amount.
- Executive sponsorship represents all business areas and actively serves the needs of the project throughout its duration.
- Project risks are documented proactively, and mitigation strategies are identified in joint fashion between the City's Project Manager and Plante Moran's consulting team.
- A project management or governance structure is developed with the project core team meeting on a regular basis to discuss project issues and manage change requests so their impact on schedule, resource commitments, costs, and quality can be determined.
- Information presented by Plante Moran is well organized and thorough such that project related decisions are made in a timely manner whenever possible.
- The City will provide timely feedback on the review of all deliverables submitted for review and acceptance.
- Plante Moran will provide a deliverable acceptance review period of 10 business days for review. If no revisions are received within this timeframe, the deliverable will have been deemed to be accepted.
- Stakeholders scheduled to attend meetings are present and ready to fully participate.
- Stakeholders are represented at the appropriate level so that all of the needs of the City are thoroughly defined, documented and understood for purposes of gaining acceptance.
- City end users and process owners are open to considering business process changes and are willing to share their experiences surrounding current process challenges and

desires for the future state processes in addition to those presented by Plante Moran for consideration.

EXHIBIT C

INSURANCE REQUIREMENTS

MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if CONSULTANT has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.
4. **Professional Liability (Errors and Omissions):** Insurance appropriate to the CONSULTANT's profession, with limit no less than **\$1,000,000** per occurrence or claim, **\$2,000,000** aggregate

If the CONSULTANT maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for the higher limits maintained by the CONSULTANT.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City, its elected and appointed officials, employees, and agents are to be covered as insureds on the auto policy for liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of the CONSULTANT; and on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONSULTANT including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the CONSULTANT's insurance (at least as broad as ISO Form CG 20 10, 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used).

Primary Coverage

For any claims related to this contract, the **CONSULTANT's insurance coverage shall be primary** insurance as respects the City, its elected and appointed officials, employees, and agents. Any insurance or self-insurance maintained by the City, its elected and appointed officials, employees, or agents shall be excess of the CONSULTANT's insurance and shall not contribute with it.

Notice of Cancellation

Intentionally Omitted.

Waiver of Subrogation

CONSULTANT hereby grants to City a waiver of any right to subrogation which any insurer of said CONSULTANT may acquire against the City by virtue of the payment of any loss under such insurance. CONSULTANT agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. The City may request the CONSULTANT to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The CONSULTANT will give good faith consideration to CITY'S request.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.

Verification of Coverage

CONSULTANT shall furnish the City with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONSULTANT's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.