# FIRST AMENDMENT TO AGREEMENT

This Amendment of the Agreement, entered into this _____ day of _____, 2017, by and between the CITY OF ALAMEDA, a municipal corporation (hereinafter "City") and NexLevel Information Technology Inc. (A California Corporation) with an address at 6829 Fair Oaks Blvd Ste 100, Carmichael CA 95608 (hereinafter "Provider"), is made with reference to the following:

## RECITALS:

A.      On September 19, 2016, an agreement was entered into by and between City and Provider (hereinafter "Agreement") with compensation not to exceed $74,750.

B.      City and Provider desire to modify the Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

1.      Paragraph 1 of the Agreement is modified to read as follows:

TERM:  The term of this Agreement shall commence on September 19, 2016 and continue through June 30, 2018, unless terminated earlier as set forth herein.

This Agreement may be mutually extended on a year-by-year basis, for up to three (3) additional years, at the sole discretion of the Information Technology Director, based, at a minimum, upon satisfactory performance of all aspects of this Agreement. The Information Technology Director may submit written notice that the Agreement it to be extended at the same terms and compensation as the existing Agreement.

2.      Paragraph 3 of the Agreement is modified to read as follows:

COMPENSATION TO PROVIDER:  Provider shall be compensated for the Services performed in accordance with this Agreement at the annual rate set forth in Exhibit A-1.  The total compensation for the work under this Amendment is not to exceed $72,500.  Scope of work for both projects is attached as Exhibit B and C.

The total compensation for this agreement is $147,250.

3.      Except as expressly modified herein, all other terms and covenants set forth in the Agreement shall remain the same and shall be in full force and effect.

*Signatures on following page*

NexLevel Amendment 2017

IN WITNESS WHEREOF, the parties hereto have caused this modification of Agreement to be executed on the day and year first above written.

NEXLEVEL
A California Corporation
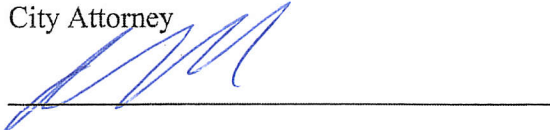
CITY OF ALAMEDA
A Municipal Corporation

By Terry Hackelman
Managing Partner

Jill Keimach
City Manager

RECOMMENDED FOR APPROVAL:
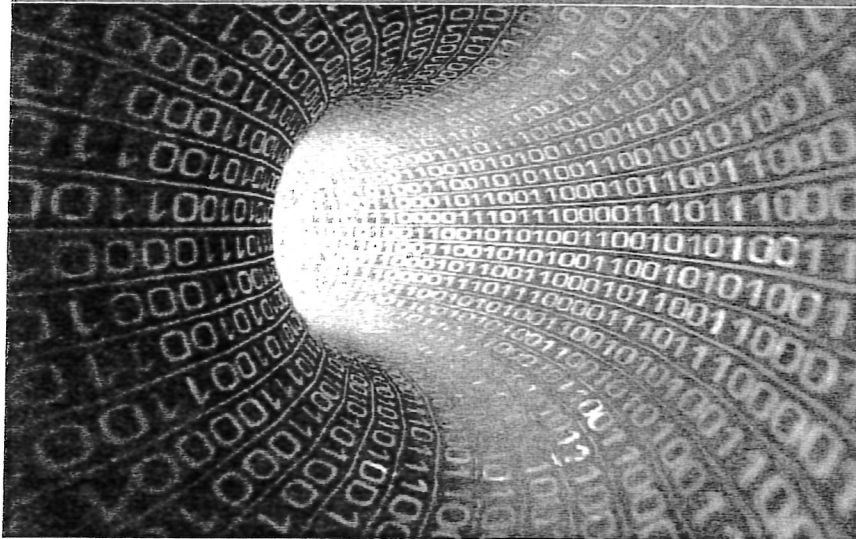
Carolyn Hogg
IT Director

APPROVED AS TO FORM:
City Attorney

Alan M. Cohen
Assistant City Attorney

# NEXLEVEL

## August 15, 2017

## City of Alameda

## Proposal For Enterprise Resource Planning Procurement and Selection Consulting Services

Ms. Carolyn Hogg
Information Technology Director
City of Alameda
950 West Mall Square
Room 200
Alameda, CA 94501

**THIS DOCUMENT IS FORMATTED FOR DUPLEX PRINTING – THIS PAGE IS INTENTIONALLY LEFT BLANK**

# Table of Contents

**THIS DOCUMENT IS FORMATTED FOR DUPLEX PRINTING – THIS PAGE IS INTENTIONALLY LEFT BLANK**

# 3. Team

NexLevel proposes a consulting team with the experience to meet the needs of this important project. The team approach benefits the City by enabling us to run activities and tasks in parallel under accelerated timelines, if required, as well as provide increased scheduling flexibility when interacting with City staff. In addition, it provides the City with an increased depth of knowledge and expertise beyond what a single consultant can provide. Our team does not need any special accommodations when on-site with the City.

## Terry Hackelman – Project Manager and Subject Matter Expert

Mr. Hackelman places a heavy focus on local government projects associated with planning, procurement, and project management. For this project, Mr. Hackelman will function as the Project Manager and a subject matter expert. Mr. Hackelman will also provide subject matter expertise for specific areas of ERP functions, the ERP marketplace, and procurement and selection. As a NexLevel Managing Principal and Founder, Mr. Hackelman will ensure this project receives the focus and resources necessary for success.

Mr. Hackelman's project experience includes technology and project assessments, complex business application procurement and selection, vendor negotiations, project management, IT governance, and strategic planning. Mr. Hackelman brings hands-on knowledge and experience related to the following systems: finance, payroll, human resources, asset management/work order, permitting/inspection, utility billing/Customer Information Systems, and many other technologies used by local government agencies.

Mr. Hackelman has been the project manager or project lead for the following local government ERP procurement, selection, and/or implementation projects: City of Millbrae, City of Chino Hills, City of Glendale, City of Chino, City of Fremont, City of Walnut Creek, City of Sunnyvale, City of La Quinta, City of Paso Robles, City of Pismo Beach, Moulton Niguel Water District, South Tahoe Public Utility District, Cosumnes Community Services District, Chino Valley Independent Fire District, Silicon Valley Clean Water, and Placer County

## Wendell Yacur, PMP – Subject Matter Expert

As a certified Project Management Professional (PMP), Mr. Yacur has 22 years of public sector technology experience and is an accomplished management consultant, project manager, procurement manager, recruiter, trainer, and documentation specialist. For this project, Mr. Yacur will provide subject matter expertise.

Mr. Yacurs' experience includes consulting for numerous public municipalities, agencies, utilities and districts. His focus has been in the project management and oversight of IT systems procurements and implementations; development and implementation of business processes; and development of technology strategic plans, IT policy and process/procedure documentation, and development of RFPs.

Mr. Yacur has supported the following local government agencies in ERP analysis, procurement, selection, and/or implementation: South Tahoe Public Utility District, Silicon Valley Clean Water,

City of San Ramon, and Placer County. He has provided extensive procurement and implementation project management support for numerous projects with the City of Santa Clara.

In addition to the above named resources, NexLevel also has more than 9 other ERP consultants that we can draw upon when needed.

# 4. Approach

NexLevel offers our clients proven methodologies and tools designed specifically to meet the unique needs of public sector agencies. Since our inception, we have invested in and developed methodologies, tools, and supporting processes designed specifically for the unique needs and requirements of California local government agencies. NexLevel constantly reviews and updates the knowledge base included in these toolkits based on experience with our clients. Our clients benefit directly from our processes, tools and methodologies, as we share these with our clients and in working collaboratively with our clients are able to leave behind the tools, processes, and methodologies to be used in future projects.

For this project, NexLevel is proposing the use of our proven five phase procurement and selection methodology. The five phases include:

- The **"Initiate"** phase will establish the foundation for effective communication and the successful completion of the project.
- The **"Requirements"** 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.) necessary are defined and documented and communicated through the resulting documents for inclusion in the RFP.
- The **"RFP"** phase will be the managed to meet the procurement requirements of the City.
- 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.
- The optional **"Negotiate"** phase will result in formal completion of agreements with the selected ERP solution vendor and the City.

Figure 3 on the following page provides an overview of the phases, activities, and deliverables for our proposed methodology.

# 2. Company Overview

NexLevel, a Sacramento-area management consulting company, has been providing a wide array of business and technology services since 1999. Our team offers proven expertise across all types of business environments and has a great deal of experience with the technologies utilized by city, county, and state government agencies, as well as special districts and private sector clients.

> Our business philosophy can be summed up in three simple words: LISTEN. PLAN. DELIVER.

NexLevel's approach is simple and straightforward. First, we LISTEN to understand a client's situation and needs. Next, we develop a PLAN to address the client's needs within the boundaries of their situation. Then we DELIVER a solution that not only meets the client's needs, but does so on time and within budget.

NexLevel exclusively focuses on helping public sector clients plan, implement, and manage complex business technology. NexLevel has a strong track record of success in helping public sector clients:

- Manage Application Technology Procurements
- Manage Technology Projects
- Make Attainable Technology Decisions
- Complete Technology and Needs Assessments
- Create Technology Plans

NexLevel has worked with more than 110 California state and local government agencies to complete Application Procurement and Selection, Project Assessments, IT Assessments, IT Strategic Plans, GIS Strategic Plans, Network Assessments, Policy / Procedure Development, Project Management, and Feasibility Studies.

NexLevel is the best choice for organizations looking to reduce the time, cost, and risk of transforming their business using technology. NexLevel consultants offer the experience and expertise required to assist clients in every aspect of IT planning, procurement, implementation, and operations as shown in Figure 1.
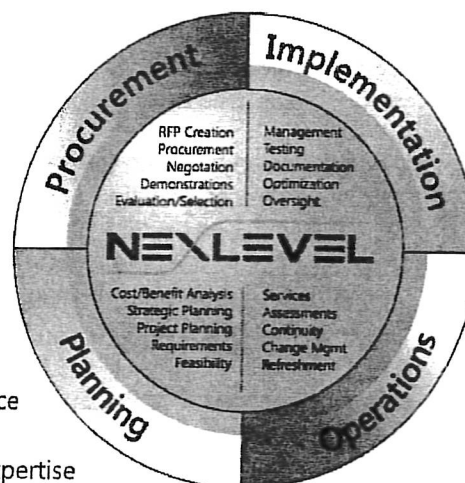


Figure 1 - NexLevel Capabilities

NexLevel is recognized throughout the State for our expertise and services in supporting public sector agency ERP requirements, procurement, and implementations. This is evident not only by the number of successful projects and client references, but also because we are commonly asked to present at organizations such as California Society of Municipal Financial Offices (CSMFO) and Municipal Information Systems Association of California (MISAC). As an example, at the CSMFO 2016 and 2017 annual conferences, Mr. Hackelman, who is proposed on this project, co-presented a day long pre-conference session dedicated to ERP procurement and implementation.

## Phases and Tasks      Deliverables

**1 — Initiate**

1.1 – Project Sponsor Planning Meeting
1.2 – Work Plan Development
1.3 – Work Plan Review with Stakeholders
1.4 – Kickoff Meeting

✓ Work Plan
✓ Kickoff Meeting Presentation

**2 — Requirements**

2.1 – Request and Review Documentation
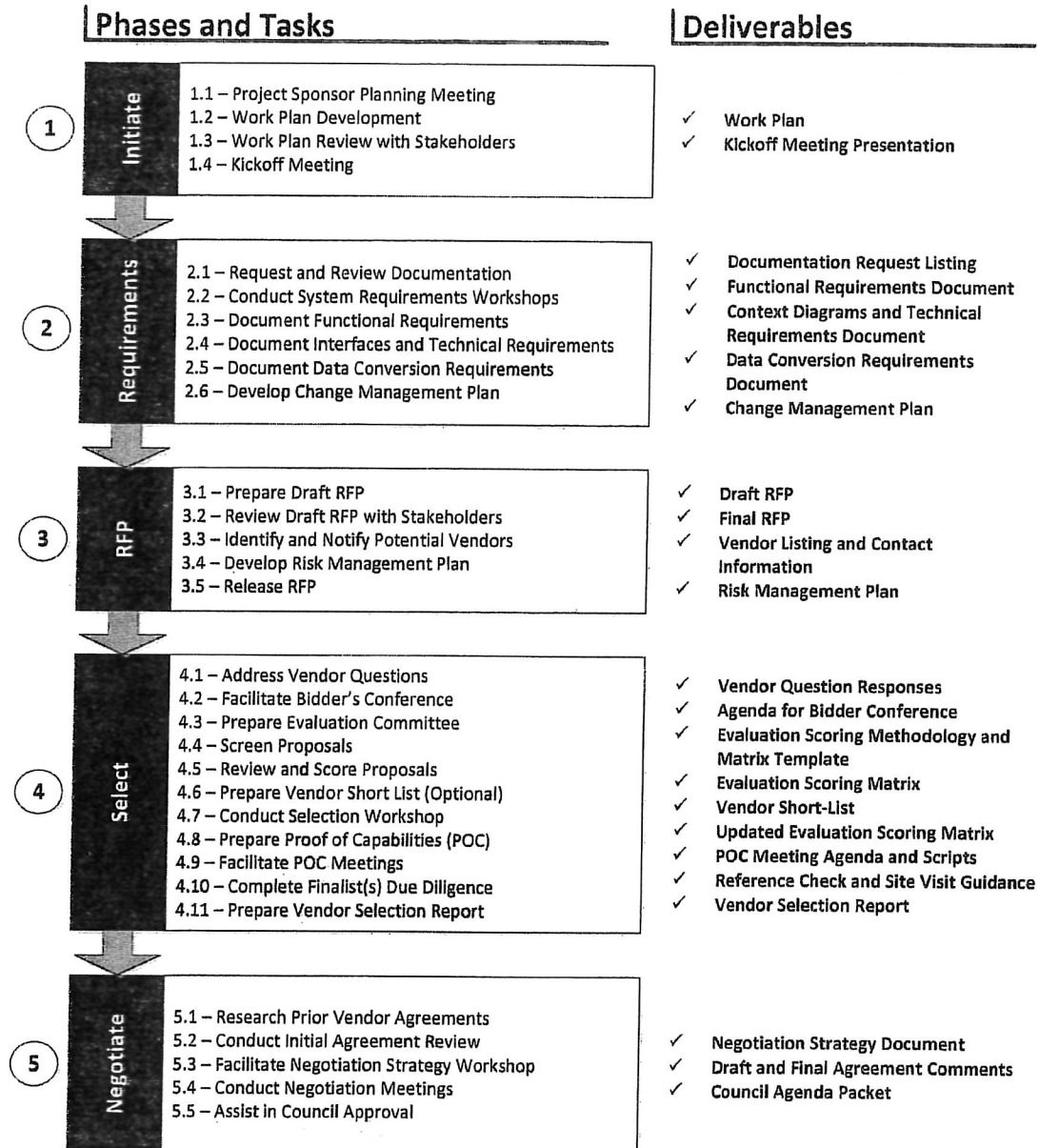2.2 – Conduct System Requirements Workshops
2.3 – Document Functional Requirements
2.4 – Document Interfaces and Technical Requirements
2.5 – Document Data Conversion Requirements
2.6 – Develop Change Management Plan

✓ Documentation Request Listing
✓ Functional Requirements Document
✓ Context Diagrams and Technical Requirements Document
✓ Data Conversion Requirements Document
✓ Change Management Plan

**3 — RFP**

3.1 – Prepare Draft RFP
3.2 – Review Draft RFP with Stakeholders
3.3 – Identify and Notify Potential Vendors
3.4 – Develop Risk Management Plan
3.5 – Release RFP

✓ Draft RFP
✓ Final RFP
✓ Vendor Listing and Contact Information
✓ Risk Management Plan

**4 — Select**

4.1 – Address Vendor Questions
4.2 – Facilitate Bidder's Conference
4.3 – Prepare Evaluation Committee
4.4 – Screen Proposals
4.5 – Review and Score Proposals
4.6 – Prepare Vendor Short List (Optional)
4.7 – Conduct Selection Workshop
4.8 – Prepare Proof of Capabilities (POC)
4.9 – Facilitate POC Meetings
4.10 – Complete Finalist(s) Due Diligence
4.11 – Prepare Vendor Selection Report

✓ Vendor Question Responses
✓ Agenda for Bidder Conference
✓ Evaluation Scoring Methodology and Matrix Template
✓ Evaluation Scoring Matrix
✓ Vendor Short-List
✓ Updated Evaluation Scoring Matrix
✓ POC Meeting Agenda and Scripts
✓ Reference Check and Site Visit Guidance
✓ Vendor Selection Report

**5 — Negotiate**

5.1 – Research Prior Vendor Agreements
5.2 – Conduct Initial Agreement Review
5.3 – Facilitate Negotiation Strategy Workshop
5.4 – Conduct Negotiation Meetings
5.5 – Assist in Council Approval

✓ Negotiation Strategy Document
✓ Draft and Final Agreement Comments
✓ Council Agenda Packet

**Figure 4 – 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 following table provides a detailed discussion of what each task will entail.

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

| **1.1 Project Sponsor Planning Meeting** |
|---|
| **TASK DESCRIPTION:** NexLevel will meet on-site with the City's Project Sponsor and other key staff to complete a detailed review 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. |
| **1.2 Work Plan Development** |
| **TASK DESCRIPTION:** NexLevel will publish a Work Plan that identifies the project approach, methods, tasks, activities, resources, schedule, budget, deliverables, issue and risk management, and major milestones. NexLevel understands that our timeline will be driven by the objective to have a software vendor selected by January 31, 2017.  **DELIVERABLE:** Draft Work Plan |
| **1.3 Work Plan Review with Stakeholders** |
| **TASK DESCRIPTION:** NexLevel will facilitate an on-site 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.  **DELIVERABLE:** Final Work Plan |
| **1.4 Kickoff Meeting** |
| **TASK DESCRIPTION:** 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.  NexLevel anticipates that scheduling all key City staff to be in a specific location, at a specific time, may be difficult. Therefore, if necessary, NexLevel is prepared to conduct two project kickoff meetings. It is important that all City staff that will be involved in the project, regardless of their role, participates in a project kickoff.  **DELIVERABLE:** Kickoff Meeting Presentation |

## Phase 2 - Requirements

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 following table provides a detailed discussion of what each task will entail.

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

| **2.1 Request and Review Documentation** |
|---|

**TASK DESCRIPTION:** 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.

**DELIVERABLE:** Documentation Request Listing

### 2.2 Conduct System Requirements Workshops

**TASK DESCRIPTION:** NexLevel will conduct face-to-face interviews (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.

In some cases, NexLevel may follow up the workshops requesting that staff demonstrate work practices. The interviews will document current processes, practices, polices, and procedures related to the City's use of the ERP system. The workshops will also explore unmet needs and focus on identifying new features and functions that can improve the existing operations.

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.

**DELIVERABLE:** Functional Requirements Document

### 2.3 Document Functional Requirements

**TASK DESCRIPTION:** NexLevel will utilize the information gathered during Task 2.2 above to document the City's existing and desired functional requirements so that potential vendors have a full understanding of the City's requirements.

**DELIVERABLE:** Updated Functional Requirements Document

### 2.4 Document Interfaces and Technical Requirements

**TASK DESCRIPTION:** 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).

**DELIVERABLE:** Context Diagrams and Technical Requirements Document

### 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/strategies and provide recommendations.

**DELIVERABLE:** Data Conversion Requirements Document

### 2.6 Develop Change Management Plan

> **TASK DESCRIPTION:** Acknowledging and recognizing that change will be imminent when proceeding with additional functions and features in an ERP implementation, we recommend that the City adopt an OCM (Organizational Change Management) Plan to assist in resolving conflicting goals and objectives in the future. These change requirements may result from the initial discovery and requirements gathering sessions or be identified further during implementation of the selected solution.
>
> Understanding and agreeing to change is a critical component to the successful implementation of a project of this size, and having a Change Management Plan in place prior to starting prepares the City, departments and individuals for the impending business and process changes associated with the new solution. It will be important for the City to be able to identify and monitor organizational and individual change management needs and address them before they become issues.
>
> **DELIVERABLE:** Change Management Plan

## Phase 3 – RFP

NexLevel will prepare a comprehensive RFP outlining the business and systems 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 following table provides a detailed discussion of what each task will entail.

**Table 4 – RFP 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. <br><br> At a minimum, an RFP should include the following components: purpose and objectives, background, evaluation criteria and selection process, timeline, submission requirements (including forms and templates), RFP terms and conditions, current environment descriptions, business and operations metrics (i.e. number of employees, users, vendors, purchase orders, etc.), functional requirements, technical requirements and standards, and pricing proposal submission requirements. <br><br> NexLevel will provide the City with a draft RFP for review and discussion. <br><br> **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 evaluate and compile a comprehensive list of public sector ERP solution vendors that provide potential solutions. Our list will include key information about each vendor. 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 and Contact Information

### 3.4 Develop Risk Management Plan

**TASK DESCRIPTION:** NexLevel will develop a Risk Management Plan (RMP) that will describe the methods that the City will use to manage risks. A risk is any potential problem that may interfere with the success of the project. Risks may impact project schedule, cost, scope, and/or quality. The RMP establishes a proactive approach to identifying and mitigating risks to minimize future problems or issues.

While conducting the assessment, and preparing the RFP, NexLevel will likely identify possible risks. Some of the potential risks may be limited to the procurement and selection efforts, while others will be associated with the subsequent implementation. It is important that risks are captured in a format that supports ongoing monitoring and tracking and a means for resolution of the risks if encountered.

**DELIVERABLE:** Risk Management Plan

### 3.5 Release RFP

**TASK DESCRIPTION:** NexLevel will assist the City in preparing for and releasing the RFP. As part of this task, NexLevel will create a tracking log of who has received the RFP.

## Phase 4 - Select

The process for selecting a suitable, best fit, ERP solution vendor requires the City to follow a structured methodology. The goal of this project is to ensure that the vendor who is the "best fit" for the City is selected. 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 a careful and detailed review of information provided in response to the RFP are conducted, as well as independent research, validation and verification of content.

The following table provides a detailed discussion of what each task will entail.

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

### 4.1 Address Vendor Questions

**TASK DESCRIPTION:** 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.

**DELIVERABLE:** Vendor Question Responses

### 4.2 Facilitate Bidder's Conference

**TASK DESCRIPTION:** If the City desires to hold a bidder's conference, NexLevel will assist the City in preparing for and holding the conference. However, based on NexLevel's experience, a bidder's conference may not be necessary if a high-quality RFP is released and if the vendor community is made aware of the RFP prior to release.

**DELIVERABLE:** Agenda for Bidder Conference

### 4.3 Prepare Evaluation Committee

**TASK DESCRIPTION:** 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.

**DELIVERABLE:** Evaluation Scoring Methodology and Matrix Template

### 4.4 Screen Proposals

**TASK DESCRIPTION:** 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.

### 4.5 Review and Score Proposals

**TASK DESCRIPTION:** 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.

**DELIVERABLE:** Evaluation Scoring Matrix

### 4.6 Prepare Vendor Short-List (OPTIONAL)

**TASK DESCRIPTION:** If the City desires, NexLevel will provide the City with a recommended short-list of the vendors that demonstrated through their RFP response to be the best fit for the City.

**DELIVERABLE:** Vendor Short-List

### 4.7 Conduct Selection Workshop

**TASK DESCRIPTION:** 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.

**DELIVERABLE:** Updated Evaluation Scoring Matrix

### 4.8 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

### 4.9 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. |

| **4.10 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.<br><br>**Deliverable:** Reference Check and Site Visit Guideline |

| **4.11 Prepare Vendor Selection Report** |
|---|
| **TASK DESCRIPTION:** NexLevel will draft a final Selection Report that outlines the process followed and the results of the evaluation.<br><br>**DELIVERABLE:** Vendor Selection Report |

## 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 following table provides a detailed discussion of what each task will entail.

**Table 6 – Negotiate Phase Tasks and Deliverables**

| **5.1 Research Prior Vendor Agreements** |
|---|
| **TASK DESCRIPTION:** It is highly likely that the City will select a vendor that has recently implemented their solution with other public agencies. This task focuses on identifying signed agreements with agencies that are of a similar size and complexity as they can provide a valuable source of information to help a City prepare for negotiations. NexLevel will seek out and review available agreements. The review will include evaluating terms and conditions, pricing, payment terms, milestones, and more. The information gathered will be compared to that which was submitted with the RFP with the goal of identifying any gaps or more favorable terms and conditions. |

| **5.2 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, 3rd party software, etc.). NexLevel will provide the City guidance and assistance on the agreement review to help prepare for subsequent negotiations. |

| **5.3 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

### 5.4 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

### 5.5 Assist in Council Approval

**TASK DESCRIPTION:** NexLevel will be available to attend or participate in the City's presentation of the vendor agreements to the City Council for approval.

**DELIVERABLE:** Council Agenda Packet

# 5. Timeline

Based on our experience with similar projects, we provide the following proposed project schedule. The ability to achieve this schedule will be dependent upon the availability of City staff throughout the project. NexLevel can accelerate the proposed schedule if the City wishes to complete specific aspects of the project in a shorter timeframe.
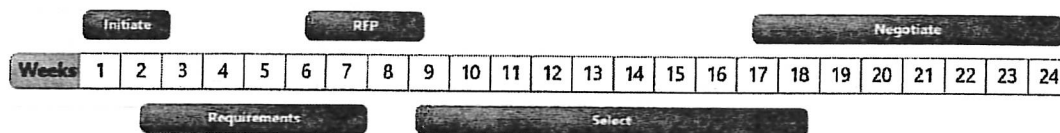


| Weeks | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 |

**Figure 5 - Project Timeline**

NexLevel is prepared to begin the project once the City has selected and executed an agreement.

# 6. 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 cost of $55,500. This is based on NexLevel's level of effort estimate of 300 hours @ $175/hour plus travel expenses ($3,000).

We recognize that the City, like many agencies, may be operating under budgetary constraints. If so, we would be happy to work with the City on a revised scope of work that will meet the City's objectives. 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.

NexLevel will bill the City monthly for work performed in the previous month, and will invoice per the City's specifications contained in the agreement. NexLevel agrees to a not-to-exceed agreement, whereby the City will be billed for the actual hours worked in the previous month.

**NEXLEVEL**

August 31, 2017

Ms. Carolyn Hogg
Information Technology Director
City of Alameda
950 West Mall Square, Room 200
Alameda, CA 94501

RE: IT Strategic Planning Amendment – CENIC Project Support

Dear Ms. Hogg,

NexLevel Information Technology, Inc. (NexLevel) respectfully submits this letter to request an amendment to our IT Strategic Planning agreement to support the City's efforts to plan and pilot the CENIC project.

NexLevel is proposing the services of Mike Allen to support the planning, analysis, and project management to help the City evaluate and pilot CENIC to support economic development efforts at Alameda Point. Our services will support the City's staff to help fully define the approach, cost, and vendor support.

NexLevel recommends adding 80 hours at $175/hour for Mr. Allen's services at a cost of $14,000. NexLevel will bill our time as incurred and we will only bill the City for services worked. NexLevel will work with the City throughout the project to ensure our time is used in the most efficient manner possible. NexLevel will also work collaboratively with the City regarding our assigned tasks such that if the City has staff that can perform these tasks, the NexLevel level of effort (and cost) will be reduced.

In addition, NexLevel anticipates 6 on-site trips at a cost of $500/trip which will be billed as incurred and supported by actual receipts.

Once you have had a chance to review, please contact me at 916-692-2000, ext. 201 or via email at terry.hackelman@nexlevelit.com.

Sincerely,

Terry Hackelman
Managing Principal

Exhibit C

# 1. Letter of Transmittal

March 27, 2017

Ms. Carolyn Hogg
Information Technology Director
City of Alameda
950 West Mall Square, Room 200
Alameda, CA 94501

RE: Proposal for Enterprise Resource Planning Procurement and Selection Consulting Services

Dear Ms. Hogg:

NexLevel Information Technology, Inc. (NexLevel) respectfully submits this proposal to the City of Alameda (City) to provide Enterprise Resource Planning (ERP) Procurement and Selection Consulting Services.

NexLevel's track record includes supporting over 100 California public agencies. As it relates specifically to the City's needs, we have provided ERP consulting services to many similar-sized California public agencies. This benefits the City as we bring real life, hands-on experience with the solutions that are commonly offered to California public agencies, as well as proven methodologies, process, and tools that help lead to project success. NexLevel is currently providing ERP consulting services at the following public agencies: City of San Ramon, City of Sunnyvale, City of Half Moon Bay, City of Chino Hills, City of Fremont, City of Glendale, City of Poway, City of Manhattan Beach, Placer County, Douglas County (NV), Silicon Valley Clean Water, South Tahoe Public Utility District, and Cosumnes Community Services District. In addition, in the past five years we have also provided ERP consulting services to many other public agencies including the City of Millbrae, City of Walnut Creek, City of Chino, City of La Quinta, Placer County, Sonoma County, Moulton Niguel Water District, Camrosa Water District, Lake Arrowhead Community Services District, San Joaquin Council of Governments, Chino Valley Independent Fire District, Sonoma County, and San Benito County.

NexLevel proposes a team with extensive knowledge and hands-on experience in supporting municipal ERP projects. This team brings the expertise necessary to ensure a quality procurement and selection of the best fit solution. I am confident our proposed team can ensure your project is a success.

Our proposal will discuss the NexLevel's phased methodology outlined below:

- **Initiate** – establishes the foundation for effective communication and successful project completion.
- **Requirements** – encompasses a needs assessment of the City's current software in an effort to prepare the City for release of a Request for Proposal (RFP) seeking qualified vendors to propose their solution. This phase also includes a thorough discovery of the

City's specific objectives and needs to ensure all the features, functions and requirements are defined and documented for inclusion in the RFP.

- **RFP** – identifies suitable ERP vendors, develop draft RFP, meet with City to finalize the RFP, develop a risk management plan, and release the RFP.
- **Select** – prepare answers to vendor questions, prepares for vendor proof-of-capabilities (POC) demonstrations, development of POC scripts, facilitation of vendor POC sessions, evaluation and scoring of vendor proposals, and the selection of the best fit solution for the City.
- **Negotiate** – support the City's team for negotiations with the selected ERP vendor including review of the vendor's agreement, preparing for and facilitating the negotiations with the vendor, and finalization of the agreement, after negotiations, between the City and vendor.

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

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

Sincerely,

Terry Hackelman, Managing Principal
NexLevel Information Technology, Inc.