

AGREEMENT TO FURNISH COMPUTER CONSULTING SERVICES FOR UTILITY BILLING INFORMATION SYSTEM NEEDS ASSESSMENT

This Agreement is made and entered this 4th day of June, 1996, by and between the City of Redlands, a municipal corporation (hereinafter "City") and Kerry Consulting Group, (hereinafter "Consultant").

In consideration of the mutual promises, covenants and conditions hereinafter set forth, the City of Redlands and Kerry Consulting Group hereby agree as follows:

ARTICLE 1 - ENGAGEMENT OF CONSULTANT

- 1.1 City hereby engages Consultant, and Consultant hereby accepts the engagement, to perform computer consulting services (the "Services") for City's Utility Billing Information System Needs Assessment Project (the "Project").
- 1.2 The Services shall be performed by Consultant in a professional manner, and Consultant represents that it has the skill and the professional expertise necessary to provide high quality Services for the Project at the level of competency presently maintained by other practicing professional consultants in the industry providing similar types of services.

ARTICLE 2 - SERVICES OF CONSULTANT

- 2.1 The specific Services which Consultant shall perform are more particularly described in Exhibit "A," entitled "Scope of Work," which is attached hereto and incorporated herein by this reference.

ARTICLE 3 - RESPONSIBILITIES OF CITY

- 3.1 City shall make available to Consultant all information in its possession that is pertinent to the performance of Consultant's Services.
- 3.2 City shall provide access to and make provision for Consultant to enter upon public and private lands, as required, for Consultant to perform the Services.
- 3.3 City shall designate in writing a person to act as City's representative with respect to the Services to be performed under this Agreement.

ARTICLE 4 - PERIOD OF SERVICE

- 4.1 Consultant shall perform the Services in a diligent manner and in accordance with the schedule set forth in Exhibit "B," which is attached hereto and incorporated herein by this reference. Time is of the essence for the performance of Consultant's Services.

ARTICLE 5 - PAYMENTS TO CONSULTANT

- 5.1 The total compensation for Consultants' performance of the Services shall not exceed \$22,477. City shall pay Consultant on a time and materials basis at the hourly rates shown in Exhibit "C," entitled "Schedule of Rates," which is attached to this Agreement and incorporated herein by this reference.
- 5.2 At the time approximately 75 percent of the work hours (as described in the Exhibits) have been completed, Consultant shall so notify City in writing, and shall provide City with a brief report on the status of the Project, the percent of the Project that is complete, an analysis of Consultant's budget and further anticipated expenses to complete the Services.
- 5.3 Consultant shall bill City within ten (10) days following the close of each month by submitting an invoice indicating the Services performed, who performed the Services, indirect costs, and if requested, the detailed cost of all work including back-up documentation. Payments by City to Consultant shall be made within 30 days after receipt and approval of Consultant's invoice, by warrant payable to Consultant.
- 5.4 All notices, bills and payments shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail shall be addressed as follows:

City: Gary Phelps
Municipal Utilities Department
35 Cajon Street
P.O. Box 3005
Redlands CA 92373

Consultant: Dennis Vlasich
Kerry Consulting Group
976 W. Foothill Boulevard, Suite 392
Claremont CA 91711

When so addressed, such notices shall be deemed given upon deposit in the United States Mail. In all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills and payments are to be given by giving notice pursuant to this paragraph.

ARTICLE 6 - INSURANCE AND INDEMNIFICATION

- 6.1 Consultant shall maintain workers' compensation insurance and, in addition, shall maintain insurance to protect City from claims for damage due to bodily injury, personal injury and death, and claims for injury to or destruction of tangible property while performing the Services required by this Agreement. Said public liability and property damage insurance shall be in a minimum combined single limit of \$1,000,000, and in the aggregate. Consultant shall also maintain comprehensive automobile liability insurance with a combined single limit of \$1,000,000 for bodily injury and property damage. City shall be named an additional insured under all policies for public liability, property damage and comprehensive automobile liability insurance, and such insurance shall be primary with respect to City and non-contributing to any insurance or self-insurance maintained by City. Consultant shall provide City with certificates of insurance evidencing such insurance coverage prior to commencing the Services.
- 6.2 Consultant shall indemnify, hold harmless and defend City and any and its elected officials, officers, agents and employees from and against all claims, loss, damage, charge or expense, to which it or any of them may be put or subjected to the extent that they arise out of or result from any willful misconduct or negligent act or actions, omission or failure to act on the part of the Consultant, its contractors, its suppliers, anyone directly or indirectly employed by any of them or anyone for whose acts or omissions any of them may be liable in the performance of the Services required by this Agreement.

ARTICLE 7 - GENERAL CONSIDERATIONS

- 7.1 In the event any action is commenced to enforce or interpret any of the terms or conditions of this Agreement the prevailing party shall, in addition to any costs and other relief, be entitled to the recovery of its reasonable attorneys' fees.
- 7.2 Consultant shall not assign any of the Services required by this Agreement, except with

the prior written approval of City and in strict compliance with the terms, provisions and conditions of the Agreement.

- 7.3 The key Consultant's personnel for the Project is Dennis Vlasich. Consultant agrees that Mr. Vlasich shall be made available and assigned to City's Project, and that he shall not be replaced without concurrence from City.
- 7.4 All documents, records, drawings, designs and specifications, cost estimates and other Project documents developed by Consultant pursuant to this Agreement shall become the property of City and shall be delivered to City upon completion of the Services or upon the request of City in the event this Agreement is terminated prior to completion of the Services. Any reuse of such documents for other projects and any use of incomplete documents shall be at City's sole risk.
- 7.5 Consultant is for all purposes an independent contractor. All personnel employed by Consultant are for its account only, and in no event shall Consultant or any personnel retained by it be deemed to have been employed by City or engaged by City for the account of or on behalf of City.
- 7.6 Unless earlier terminated, as provided for below, this Agreement shall terminate upon completion and acceptance by City of the Services.
- 7.7 This Agreement may be terminated by either party, without cause, by providing thirty (30) days prior written notice to the other (delivered by certified mail, return receipt requested) of intent to terminate.
- 7.8 If this Agreement is terminated by City, an adjustment to Consultant's compensation shall be made, but (1) no amount shall be allowed for anticipated profit or unperformed services, and (2) any payment due to Consultant at the time of termination may be adjusted to the extent of any additional costs to City occasioned by any default by Consultant.
- 7.9 Upon receipt of a termination notice, Consultant shall (1) promptly discontinue all services affected (unless the notice directs otherwise), and (2) deliver or otherwise make available to City, copies of data, design calculations, drawings, specifications, reports, estimates, summaries and such other information and materials as may have been accumulated by Consultant in performing services under this Agreement.
- 7.10 Consultant shall maintain books and accounts of all Project related payroll costs and all expenses. Such books and accounts shall be available at all reasonable times for examination by the City at the office of Consultant.
- 7.11 This Agreement, including the Exhibits incorporated herein by reference, represents the entire agreement and understanding between the parties and any prior negotiations,

proposals or oral agreements are superseded by this Agreement. Any amendment to this Agreement shall be in writing, approved by the City Council of City and signed by City and Consultant; provided, however, further City Council approval shall not be required for any amendment to this Agreement which increases the scope of Services for a cost not to exceed \$5,000.

7.12 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, duly authorized representatives of the parties have signed in confirmation of this Agreement.

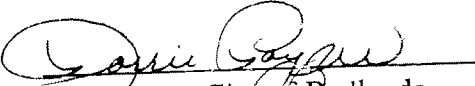
City of Redlands
("City")

By: 
SWEN LARSON
Mayor

Kerry Consulting Group
("Consultant")

By: 
DENNIS VLASICH
Principal

ATTEST:


City Clerk, City of Redlands

ATTACHMENT A
SCOPE OF WORK

PROPOSAL NARRATIVE

The Proposal Task Descriptions

Kerry Consulting Group (KCG) has developed a systematic approach to computer system planning and selection that results in informed recommendations supported by those who will be affected by the systems to be purchased. It is a proven process for both new and replacement systems that helps ensure an appropriate application of computer technology to the solution of business and management problems and avoids decisions based on vendor hype or slick salesmanship. The process puts the client back in control of the complex computer selection process and results in objective recommendations backed with contracts that balance the risk appropriately between the client and the vendors.

The computer planning/selection process is divided into five phases with several tasks assigned to each. The list of tasks herein has been tailored to the specific requirements of the RFP. Of course, tasks can be modified or added to meet individual client needs. In those KCG selected tasks where client resources may be required, KCG has given a rough estimate (in person-days) as to how much is necessary. Any Task scope can be adjusted either up or down where City resources can (or cannot) be applied in specific sub-tasks. In some cases, there are some interdependencies among tasks, so prices quoted for KCG tasks assume all dependent tasks not assigned to KCG will be completed by the City.

1.0 NEEDS ASSESSMENT

KCG brings experience and expertise as well as an objective external perspective on the technology needs of our clients. We make extensive use of interviews with both groups and individuals to understand the technology "culture" and the environmental constraints that will affect the future technology decisions to be made. For Redlands MUD, KCG will use a combination of individual and group (departmental) to gather and interpret information. It is recommended that an Executive Management Task Force or Ad Hoc Committee be assembled to review findings and help to assign priorities to the application needs.

1.1 Technical/Functional Inventory

This task is essentially a process review systems currently in use. It includes both hardware and software data which will be essential for the transition/migration planning for the new systems that may replace them. Data conversion and external systems interfaces will need to be carefully defined to potential product vendors in order to get an accurate estimate of the resource requirements for the transition. The inventory process also provides an opportunity to determine which of the services and reports are really being used and which could or should be improved or eliminated. This is supplemented by a "wish list" of functions the staff thinks should be done by computer and how important they are to the performance of their jobs.

KCG will conduct several on-site interviews, review any and all relevant reports and studies, gather the technical information for the migration planning, and advise on the membership of the Steering Committee. The summary report will be submitted to validate KCG's findings to ensure that no erroneous assumptions are made for subsequent tasks.

1.2 Application Review

Using KCG's VPF database (described in one of the following sections), we will help the Committee to prioritize the Utility's application needs. Unfortunately, needs often exceed available resources, so establishing priorities early in the process will help to decide the implementation sequence later in the process. The "R/D/O" analysis has the Committee indicating (collectively) on the Subsystem Rating Worksheet the current status of each application subsystem and whether it is REQUIRED, DESIRED, or OPTIONAL.

1.3 Develop and Release RFI

Since the computer industry is changing so rapidly, it is sometimes necessary to survey the field every few months to be aware of the newest technologies and computer solutions available. With the Request for Information (RFI), KCG presents the "problem" or computerization

objective to the prospective vendors and ask for their solutions, only as a "List Price" proposal, without discounts or formal proposal process. While nothing is awarded as part of this task, it yields some guidelines as to what is available in the marketplace and at what price. The RFI can prove to be invaluable in writing the RFP. It should be noted that the RFI is most valuable to those who are purchasing systems for the first time and often not used by those who are replacing current systems.

1.4 RFI Analysis

Even though the RFI requests information from vendors in a common format, it is necessary to evaluate and compare the product offerings in the proposal to come up with what is really necessary to solve the problems described in the RFI. This involves follow up questions with the vendors and compilation of the RFI Response information into a comparative format. From this information, the Utility can develop appropriate cost ranges for all of the computer systems they might wish to acquire.

1.5 Conduct Needs Assessment Study

For each of the three technical options—bar coding, scanning, and electronic meter reading—an in-depth analysis of the costs and benefits will be completed from the information gathered from the four tasks above by KCG. This will also include a hardware/software analysis and interface requirements for the ARC-INFO project currently under way. This will result in a preliminary report submitted to the Committee and reviewed, then a revised Final Needs Assessment Report to conclude the project.

The Services Checklist brochure which is included in the supplemental materials describes all of the projects which are part of the KCG Process. They are generic and provided for information purposed only and are not included in the prices quoted herein.

Kerry Consulting Group

SERVICES CHECKLIST

Prepared for: **Redlands MUD** Date: **5/3/96**

TASK ASSIGNMENTS

Proj	Sub rt	Task	TASK DESCRIPTION	DELIVERABLE	DATES		Responsibility	
					BEGIN	TARGET	RMUD	KCG
		0.00	Consulting Contract	Consulting Contract	5/10/96	5/10/96		
		0.10	Sign Contract					
1		1.0	Needs Assessment					
		1.1	Technical/Functional Inventory	Systems Inventory	5/20/96	6/6/96		
		1.11	Interview administration/major users				✓	✓
		1.12	Interview Technical staff				✓	✓
		1.13	Review Network infrastructure				✓	✓
		1.14	Review installed HW & SW					✓
		1.15	Establish Ad Hoc Committee					✓
		1.15	Write summary report					
		1.2	Applications Review	Application priorities	5/28/96	6/11/96		
		1.21	KCG Application summary				✓	✓
		1.22	Initial Agenda/Meeting #1					✓
		1.23	Document priorities					
		1.3	Develop and release RFI	RFI Responses	6/12/96	7/22/96		
		1.31	Prepare initial draft, RFI				✓	✓
		1.32	Format & review with Ad Hoc (#2)					✓
		1.33	Prepare labels for mailout				✓	✓
		1.34	Answer vendor questions				✓	✓
		1.35	Preliminary review of responses					✓
		1.36	Organize & comment on resp.					
		1.4	RFI Analysis	RFI Analysis Report	7/18/96	8/5/96		
		1.41	Detail review of proposals				✓	✓
		1.42	Prepare summary worksheets				✓	
		1.43	Tours of selected reference sites				✓	✓
		1.43	Review with Ad Hoc/staff (#3)					
		1.5	Conduct Needs Assessment Study	Needs Assessment	6/12/96	8/12/96		
		1.51	Platform/Infrastructure Analysis				✓	✓
		1.52	Technical features analysis				✓	✓
		1.53	ARC-INFO interface analysis				✓	✓
		1.54	Summarize, write findings				✓	✓
		1.55	Ad Hoc Meeting #4					✓
		1.56	Write Final Needs Assessment Report					
		1.0	Needs Assessment					

Notes and comments:

Kerry Consulting Group

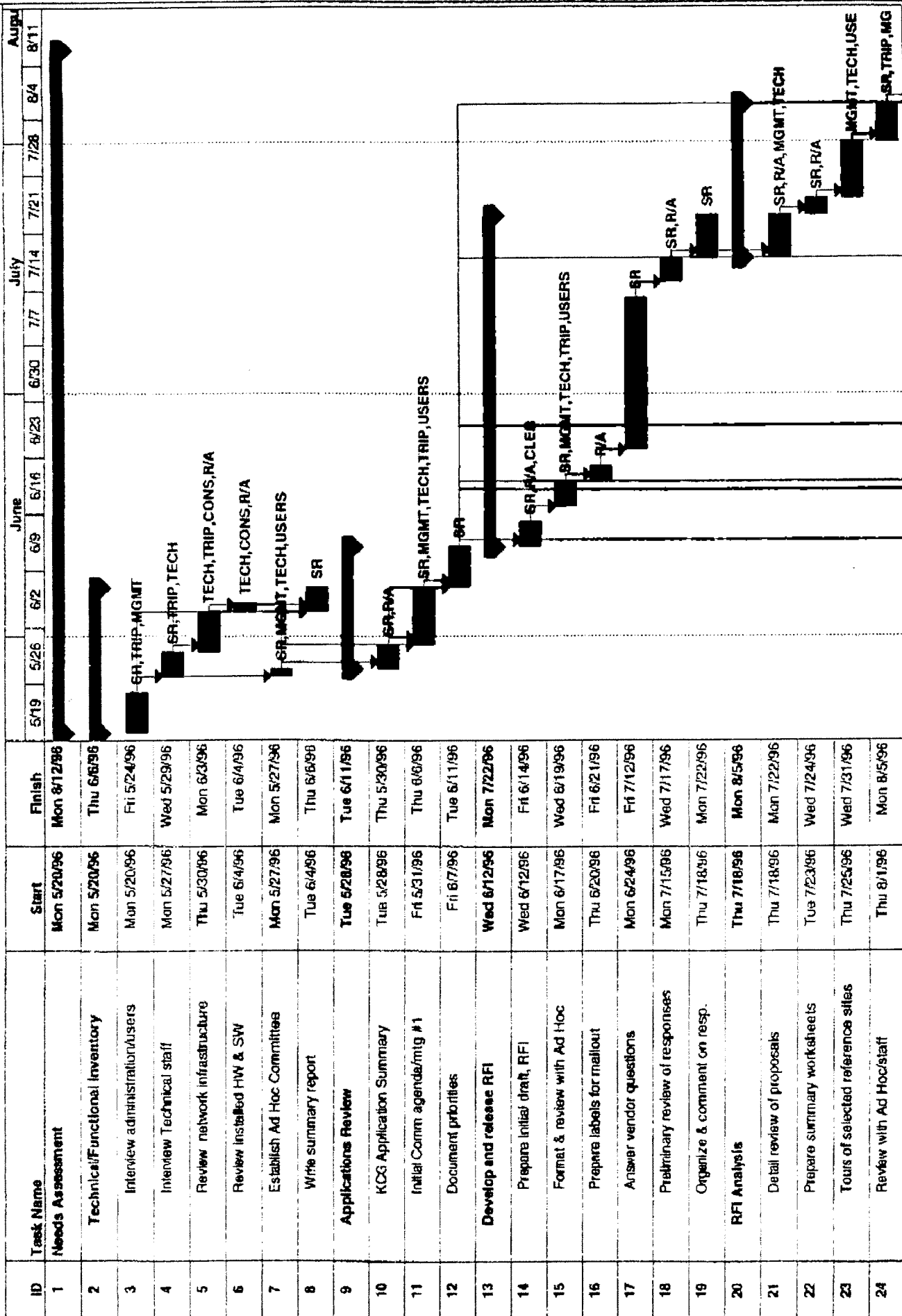
SERVICES CHECKLIST

Kerry Consulting Group

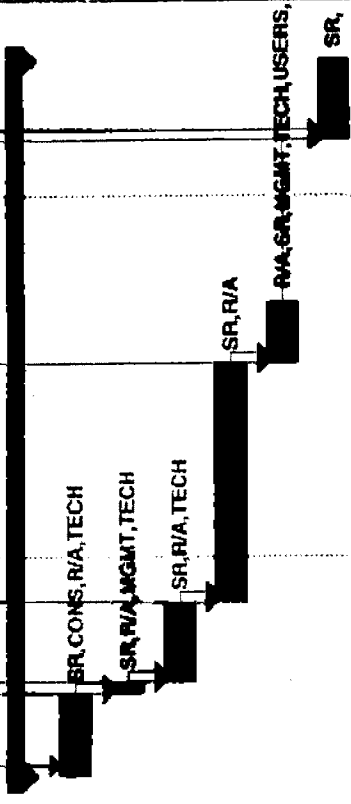
SERVICES CHECKLIST			SCOPE OF WORK (in Person-Days)							
Prepared for: Redlands MUD		Date: 5/3/96		KCG	KCG	KCG	CLER-		ON	TOTAL
			RMUD	SR.	CONS	R/A	ICAL	TRIPS	SITE	KCG Days
Proj	Task	TASK DESCRIPTION								
Start	0.00	Consulting Contract								
	0.10	Sign Contract								
1	1.0	Needs Assessment								4.75
	1.1	Technical/Functional Inventory						1	1.00	
	1.11	Interview administration/major users	1.00	1.00				1	0.50	
	1.12	Interview Technical staff	0.50	0.50					0.50	
	1.13	Review Network infrastructure	0.50	0.50		0.50		1	0.50	
	1.14	Review installed HW & SW	0.50	0.50		0.50				
	1.15	Establish Ad Hoc Committee		0.25						
	1.15	Write summary report		1.00						
	1.2	Applications Review								2.00
	1.21	KCG Application summary		0.50				1	0.50	
	1.22	Initial Agenda/Meeting #1	2.50	1.00						
	1.23	Document priorities		0.50						
	1.3	Develop and release RFI								7.00
	1.31	Prepare initial draft, RFI		1.00		1.50	1.00	1	0.50	
	1.32	Format & review with Ad Hoc (#2)	2.50	1.00		0.50	0.25			
	1.33	Prepare labels for mailout								
	1.34	Answer vendor questions	1.00	1.00						
	1.35	Preliminary review of responses	2.00	0.50		0.50				
	1.36	Organize & comment on resp.		1.00						
	1.4	RFI Analysis						1.50		5.00
	1.41	Detail review of proposals	3.00	1.50						
1.42	Prepare summary worksheets		0.50	1.00	0.50					
1.43	Tours of selected reference sites	15.00						1	1.00	
1.43	Review with Ad Hoc/staff (#3)	2.50	1.50							
1.5	Conduct Needs Assessment Study								7.00	
1.51	Platform/Infrastructure Analysis	0.50	0.50	0.50						
1.52	Technical features analysis	0.50	0.50	0.50						
1.53	ARC-INFO interface analysis	0.50	0.50							
1.54	Summarize, write findings	0.50	0.50		0.50			1	0.50	
1.55	Ad Hoc Meeting #4	2.50	1.00							
1.56	Write Final Needs Assessment Report		1.00		1.50					
1.0	Needs Assessment		35.50	17.75	2.00	6.00	2.75	7	5.00	25.75

Notes and comments:

ATTACHMENT B
SCHEDULE OF WORK



ID	Task Name	Start	Finish	June							July							August		
				5/19	5/26	6/2	6/9	6/16	6/23	6/30	7/7	7/14	7/21	7/28	8/4	8/11				
25	Conduct Needs Assessment Survey	Wed 6/12/96	Mon 8/12/96																	
26	Platform/Infrastructure analysis	Wed 6/12/96	Tue 6/18/96																	
27	Technical features analysis	Wed 6/19/96	Wed 6/19/96																	
28	ARC-INFO analysis	Thu 6/20/96	Wed 6/26/96																	
29	Summarize, write findings	Thu 6/27/96	Wed 7/17/96																	
30	Ad Hoc Mtg #4	Thu 7/18/96	Mon 7/22/96																	
31	Write Final Needs Assessment report	Tue 8/6/96	Mon 8/12/96																	



ATTACHMENT C
PRICE ESTIMATES

Kerry Consulting Group

SERVICES CHECKLIST

PRICE ESTIMATES

Prepared for: Redlands MUD Date: 5/3/96			KCG	KCG	KCG	CLER-	(ESTIMATES)		
Proj	Task	TASK DESCRIPTION	SR.	CONS.	R/A	ICAL	TRIPS	MISC	TOTAL
Start	0.00	Consulting Contract					per trip	per diem	
	0.10	Sign Contract	\$960	\$800	\$480	\$96	\$27.50		
1	1.0	Needs Assessment							
	1.1	Technical/Functional Inventory							\$4,163
	1.11	Interview administration/major users	\$960	\$0	\$0	\$0	\$28	\$0	
	1.12	Interview Technical staff	\$480	\$0	\$0	\$0	\$28	\$0	
	1.13	Review Network infrastructure	\$480	\$0	\$240	\$0	\$0	\$0	
	1.14	Review installed HW & SW	\$480	\$0	\$240	\$0	\$28	\$0	
	1.15	Establish Ad Hoc Committee	\$240	\$0	\$0	\$0	\$0	\$0	
	1.15	Write summary report	\$960	\$0	\$0	\$0	\$0	\$0	
	1.2	Applications Review							\$1,948
	1.21	KCG Application summary	\$480	\$0	\$0	\$0	\$0	\$0	
	1.22	Initial Agenda/Meeting #1	\$960	\$0	\$0	\$0	\$28	\$0	
	1.23	Document priorities	\$480	\$0	\$0	\$0	\$0	\$0	
	1.3	Develop and release RFI							\$5,668
	1.31	Prepare initial draft, RFI	\$960	\$0	\$720	\$96	\$0	\$0	
	1.32	Format & review with Ad Hoc (#2)	\$960	\$0	\$0	\$0	\$28	\$0	
	1.33	Prepare labels for mailout	\$0	\$0	\$240	\$24	\$0	\$0	
	1.34	Answer vendor questions	\$960	\$0	\$0	\$0	\$0	\$0	
	1.35	Preliminary review of responses	\$480	\$0	\$240	\$0	\$0	\$0	
	1.36	Organize & comment on resp.	\$960	\$0	\$0	\$0	\$0	\$0	
	1.4	RFI Analysis							\$4,572
	1.41	Detail review of proposals	\$1,440	\$0	\$0	\$144	\$0	\$0	
	1.42	Prepare summary worksheets	\$480	\$800	\$240	\$0	\$0	\$0	
	1.43	Tours of selected reference sites	\$0	\$0	\$0	\$0	\$0	\$0	
	1.43	Review with Ad Hoc/staff (#3)	\$1,440	\$0	\$0	\$0	\$28	\$0	
	1.5	Conduct Needs Assessment Study							\$5,628
	1.51	Platform/Infrastructure Analysis	\$480	\$400	\$0	\$0	\$0	\$0	
	1.52	Technical features analysis	\$480	\$400	\$0	\$0	\$0	\$0	
	1.53	ARC-INFO interface analysis	\$480	\$0	\$0	\$0	\$0	\$0	
	1.54	Summarize, write findings	\$480	\$0	\$240	\$0	\$0	\$0	
	1.55	Ad Hoc Meeting #4	\$960	\$0	\$0	\$0	\$28	\$0	
	1.56	Write Final Needs Assessment Report	\$960	\$0	\$720	\$0	\$0	\$0	
	1.0	Needs Assessment	\$17,040	\$1,600	\$2,880	\$264	\$193	\$0	\$21,977

Notes and comments:

ATTACHMENT D

RATES

Kerry Consulting Group
May 14, 1996

Rate Schedule
Page 1

KCG RATES (Excerpts of Consulting Agreement)

KCG and Redlands MUD agree that KCG shall provide consulting services according to the following **NONPROFIT** schedule through 12/30/96 at the 1995-96 daily rate exclusive of expenses, of:

<u>CONSULTANT</u>	<u>1995-96 NONPROFIT</u>
Senior Consultant	\$960/day (\$120/hour)
Consultant/Associate	\$800/day (\$100/hour)
Junior Consultant	\$640/day (\$80/hour)
Research Assistant	\$480/day (\$60/hour)
Clerical Assistant	\$120/day (\$15/hour)

Reimbursement for mileage (travel to and from Claremont, etc.) shall be provided at approximately \$27.50 per trip and/or \$.32 per mille.