

CONTRACT NO. 120028-PH
DEVELOPMENT SERVICES PROCESS PROGRAM MANAGEMENT SERVICES

THIS CONTRACT is being entered into this _____ day of _____, 2011 by and between the CITY OF LAS VEGAS (hereinafter the "City"), a municipal corporation within the State of Nevada having its principal office at 400 Stewart Avenue, Las Vegas, Nevada 89101, and Artech Group, Inc. (hereinafter the "Company") having its principal office located at 3402 Wedo Way, North Las Vegas, Nevada 89031.

SECTION A – Contract Form

The subject matter of this Contract is the provision of professional services to manage the planned reconfiguration of the City's Development Services Process ("DSP").

SECTION B – Basic Terms

B-1 Definitions

The following definitions apply to this Contract:

- (a) "*Award Date*" means the date that a Contract becomes effective. It is the date that is entered into the first paragraph of a Contract upon execution by an authorized representative of the City.
- (b) "*City*" means the City of Las Vegas.
- (c) "*City Council*" means the governing body of the City of Las Vegas.
- (d) "*Company*" means the individual, partnership, or corporation responsible for the performance of services under this Contract.
- (e) "*Company Representative*" means the individual authorized to act on behalf of the Company regarding routine matters arising under or relating to this Contract.
- (f) "*Contract*" means this document, consisting of Sections A through F, which is binding and effective only upon execution by the City and the Company.
- (g) "*Deliverable*" means any report, software, hardware, data, documentation, or other tangible item that the Company is required to provide to the City under the terms of this Contract.
- (h) "*Non-exclusive Contract*" means a Contract under which the City agrees to obtain some, but not necessarily all, of the City's requirements for a particular service.
- (i) "*Project Manager*" means the City representative who is responsible for the coordination of Contract performance between the City and the Company.

B-2 Contract Type

The Contract type is firm fixed price. This is a Non-Exclusive Contract.

B-3 Prices

Payment Schedule. The Company will invoice the City following accomplishment of certain deliverables as outlined in Exhibit A, "Payment Deliverables based on DSP Program Foundation Document". The dates given in this Exhibit are approximate only. Deliverables outlined in Exhibit A are explained in Exhibit B, "Program Foundation Document".

B-4 Invoices

- (a) The Company shall submit an invoice to the City in accordance with the payment schedule set forth in Paragraph B-3 (Prices) above. All invoices must identify the following items:
 - (i) the date of the invoice and invoice number;
 - (ii) the purchase order number;
 - (iii) the Contract Item against which charges are made;

- (iv) performance dates covered;
- (v) copy of the Monthly Status Report, signed by the City's Project Manager.

Upon reconciliation of all errors, corrections, credits, and disputes, payment to the Company will be made in full within 30 calendar days. **Invoices received without a valid purchase order number will be returned unpaid.** The Company shall submit the original invoice to:

Department of Finance and Business Services
ATTN: Accounts Payable
City of Las Vegas
400 Stewart Ave.
Las Vegas, NV 89101 – 2986

- (b) The Company shall forward a copy of the invoice to the City's Project Manager identified in Paragraph D-2 (Project Manager/Company Representative).

B-5 Performance Period/Delivery Schedule

- (a) The performance period commences from Award Date and continues through the completion of services provided, unless extended through mutual agreement by both parties. It is anticipated that services will be completed by February 2012.
- (b) Delivery Schedule. The Company shall provide services in accordance with the schedule outlined in Exhibit A.

SECTION C – Statement of Work

C-1 Scope of Services

The City's Development Services Process ("DSP") includes the steps one must go through to obtain permits and other documents needed during the building and planning process. The Project goal is to redesign the DSP to shorten cycle times, improve technology and streamline customer experience.

The Company shall act as City's Representative in the DSP development program. In this capacity, the Company shall ensure the accomplishment of the deliverables established in Exhibit B. The Company shall fulfill the following roles:

- (a) Project Liaison
 - (i) Act as liaison between the City, all contractors, designers, consultants, and other entities participating in the Project.
 - (ii) Represent the City at Project meetings and provide advice that will help facilitate economical, efficient and desirable development services procedures.
 - (iii) Submit to the City any suggestions or changes that could improve the development service functions, or reduce Project or operational costs.
 - (iv) Ensure the City receives continuously updated costing and Project information.
 - (v) Ensure that all potential Project related issues are communicated to all parties, with alternative and recommended resolutions, and that each member of the Project team is aware of their role in resolving them.
- (b) Project Manager & Coordinator
 - (i) Facilitate coordination meetings with appropriate parties to ensure the Project remains on schedule and in budget.
 - (ii) Prepare and submit monthly Status Reports for the City Project Manager's approval.
 - (iii) Perform weekly updates to Project budget and schedule.
 - (iv) Make appropriate Project decisions and recommendations to the City so that the City can make decisions in a timely, efficient manner.
 - (v) Oversee and monitor the progress of systems and functional process changes to maintain Project schedule.
 - (vi) Assure timely turnaround of deliverables and submittals by contractors and consultants.
 - (vii) Assist with preparation of all solicitation documents; attend pre-solicitation conferences and proposal evaluation meetings for all Project-related proposals.

- (viii) Oversee the analysis, selection, and delivery of all Project related contracts. Participate in the City's evaluation and, if applicable, negotiation committees on Requests for Proposals to select vendors.
 - (ix) Review and oversee the implementation of Information Technology, Communications, Process and Facility elements of the project.
- (c) Leadership
- (i) Provide leadership and expertise in the Project from all aspects.
 - (ii) Update current strategic plan and provide detailed updates for all Project vendors, consultants and contractors.
 - (iii) Ensure the alignment of Project objectives and strategies across different departments and elements involved in the project.
 - (iv) Maintain team cohesiveness, momentum and motivation.

The Company shall be responsible, as part of its basic services, to work diligently toward resolution of conflicts and misunderstandings that may arise among the entities involved in this Project. Should unforeseen obstacles or delays to the Project arise, it shall be the Company's responsibility at no additional cost to act as the City's Representative in resolving them.

C-2 Deliverables

The City is engaging the Company in a consulting capacity and, as such, the Company's *direct* Deliverables for payment are those detailed in Exhibit A. The Company shall coordinate parties responsible for providing input to the deliverables, and shall facilitate and expedite completion of these tasks.

In addition to the Deliverables outlined in Exhibit A, the Company shall submit the following Deliverables to the Project Manager in the normal course of its services under this Contract:

- Monthly Status Report – reference Section C-1(b)(ii)
- Weekly schedule and budget updates – reference Section C-1(b)(iii)
- Updated strategic plan – reference Section C-1(c)(ii)

All Deliverables shall be completed to the satisfaction of the City's Project Manager

SECTION D – Special Clauses

D-1 Legal Notice [CAO-7/24/08]

(a) All legal notices required pursuant to the terms and conditions of this Contract shall be in writing, unless an emergency situation dictates otherwise. Any notice required to be given under the terms of this Contract shall be deemed to have been given when:

- (i) received by the party to whom it is directed by hand delivery or personal service, or
- (ii) transmitted by facsimile with confirmation of transmission, or
- (iii) sent by U.S. mail via certified mail-return receipt requested at the following addresses:

FOR THE CITY: City of Las Vegas
Manager, Purchasing and Contracts
City Hall, First Floor
400 Stewart Avenue
Las Vegas, Nevada 89101-2986
Fax: (702) 384-9964

FOR THE COMPANY: Artech Group, Inc.
Rick Virmani
3402 Wedo Way
North Las Vegas, Nevada 89031

(b) The parties shall provide written notification of any change in the information stated above.

(c) An original signed copy, via U. S. Mail, shall follow facsimile transmissions.

- (d) For the purposes of this Contract, legal notice shall be required for all matters involving potential termination actions, litigation, indemnification, and unresolved disputes. This does not preclude legal notice for any other actions having a material impact on the Contract.
- (e) Routine correspondence should be directed to the Project Manager or the Company Representative, as appropriate.

D-2 Project Manager/Company Representative [CAO-7/24/08]

- (a) The City designates Patricia Dues as the Project Manager for this Contract. The City will provide written notice to the Company should there be a subsequent Project Manager change. The Project Manager will be the Company's principal point of contact at the City regarding any matters relating to this Contract, will provide all general direction to the Company regarding Contract performance, and will provide guidance regarding the City's goals and policies. The Project Manager is not authorized to waive or modify any material scope of work changes or terms of the Contract.
- (b) The Company designates Rick Virmani as the Company Representative for this Contract. The Company will provide written notice to the City should there be a subsequent Company Representative change. The City has the right to assume that the Company Representative has full authority to act for the Company on all matters arising under or relating to this Contract.

D-3 Warranty – Services [CAO-7/24/08]

The Company warrants that the services shall be performed in full conformity with this Contract, with the professional skill and care that would be exercised by those who perform similar services in the commercial marketplace, and in accordance with accepted industry practice. In the event of a breach of this warranty or in the event of non-performance or failure of the Company to perform the services in accordance with this Contract, the Company shall, at no cost to the City, re-perform or perform the services so that the services conform to the warranty.

D-4 Intellectual Property Rights [CAO-7/24/08]

All deliverables produced under this Contract, as well as all data, notes, and documentation collected on behalf of the City, are exclusively the property of the City.

D-5 Licenses/Registrations [CAO-7/24/08]

During the entire performance period of this Contract, the Company shall maintain all federal, state, and local licenses, certifications and registrations applicable to the work performed under this Contract, including maintaining an active City of Las Vegas business license.

D-6 Order of Precedence [CAO-7/24/08]

In the event of a conflict between the specific language set forth in Sections B through E of this Contract and any Exhibit set forth in Section F, the specific language in Sections B through E shall prevail. Any exception to this order of precedence will be addressed through specific language elsewhere in Sections B through E.

SECTION E – General Clauses

E-1 Disputes [CAO-7/25/08]

- (a) For each claim or dispute arising between the parties under this Contract, the parties shall attempt to resolve the matter through escalating levels of management. In the event the matter cannot be successfully resolved in this manner, the City is granted the right, regardless of which party is asserting the claim or dispute, to determine between arbitration and litigation as the forum in which the party desiring to proceed further shall file to resolve the claim or dispute. For any and all claims or disputes asserted by the Company, the Company shall notify the City of its intent to proceed further with the claim or dispute and, in response thereto, the City shall notify the Company as to its selected forum for resolution. For any and all claims or disputes asserted by the City, the City shall notify the Company in the notice of its intent to proceed with further resolution whether

it has selected arbitration or litigation as the forum to resolve the claim or dispute. In the event arbitration is the designated forum, such arbitration shall be binding on the parties.

- (b) If arbitration is selected by the City as the forum for further resolution, the claim or dispute shall be filed with the Nevada Arbitration Association or the American Arbitration Association under its then current Commercial Arbitration Rules, Expedited Procedures, regardless of the amount of the claim or dispute.
- (c) The laws of the State of Nevada shall govern this Contract, and the venue for purposes of such litigation or arbitration shall be in the City.

E-2 Notice of Delay [CAO-7/24/08]

- (a) Should the timely performance of this Contract be jeopardized by the non-availability of City provided personnel, data, or equipment, the Company immediately shall notify the City in writing of the facts and circumstances that are contributing to such delay. Upon receipt of this notification, the City will advise the Company in writing of the action which will be taken to remedy the situation.
- (b) The Company shall advise the City in writing of an impending failure to meet established milestones or delivery dates based on the Company's failure to perform. Notice shall be provided as soon as the Company is aware of the situation; however, such notice shall not relieve the Company from any existing obligations regarding performance or delivery.

E-3 Termination for Convenience [CAO-7/24/08]

The City shall have the right at any time to terminate further performance of this Contract, in whole or in part, for any reason whatsoever (including no reason). Such termination shall be effected by written notice from the City to the Company specifying the extent and effective date of the termination. On the effective date of the termination, the Company shall terminate all work and take all reasonable actions to mitigate expenses. The Company shall submit a written request for incurred costs for services performed through the date of termination, and shall provide any substantiating documentation requested by the City. In the event of such termination, the City agrees to pay the Company within 30 days after receipt of a correct, adequately documented written request. The City's sole liability under this Paragraph is for payment of costs for services requested by the City and actually performed by the Company.

E-4 Termination for Default [CAO-11/9/09]

- (a) The City may, by written notice of default to the Company, terminate this Contract in whole or in part if the Company fails to:
 - (i) Perform the services under Section C, including, if applicable, delivering any deliverable within the time specified in this Contract or any extension;
 - (ii) Make progress, so as to endanger performance of this Contract; or
 - (iii) Perform any of the other provisions of this Contract.
- (b) The City's right to terminate this Contract under (a)(ii) and (a)(iii) above, may be exercised if the Company does not cure such failure within ten calendar days (or more if authorized by the City) after notice specifying the failure is provided pursuant to the Paragraph D-1 (Legal Notice) of this Contract.
- (c) If the City terminates this Contract for default in whole or in part, it may acquire, under reasonable terms and in a manner the City considers appropriate, services or goods similar to those terminated, and the Company shall be liable to the City for any excess costs for those services or goods. However, the Company shall continue any work not terminated.
- (d) The Company shall not be liable for any excess costs if the failure to perform the Contract arises from circumstances beyond the control and without the fault or negligence of the Company. These circumstances are limited to such causes as (1) acts of God or of the public enemy, (2) acts of governmental bodies, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) labor strikes, (8) freight embargoes, or (9) unusually severe weather. The time of performance of the Company's obligations under this Contract shall be extended by such period of enforced delay; provided, however, that such reasonably extended time period shall not exceed 60 days. If the foregoing circumstances result in a delay greater than 60 days, the City may terminate the affected portion of the Contract pursuant to the terms of Paragraph E-3 (Termination for Convenience).

- (e) Either party may terminate this Contract in whole or in part if the other party becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or if a receiver or trustee in bankruptcy is appointed for the other party, or if any proceeding in bankruptcy, receivership, or liquidation is instituted against the other party and is not dismissed within 30 days following commencement thereof.
- (f) The City retains the right to terminate for default immediately should the Company fail to maintain the required levels of insurance, fail to comply with applicable local, state, and Federal statutes governing performance of these services, or fail to comply with statutes involving health or safety.
- (g) In the event that the City fails to perform any of its obligations required under this Contract, and the City does not remedy the failure after notice thereof is provided to the City by the Company pursuant to Paragraph D-1 (Legal Notice) above, the Company shall have the right to treat the failure as a claim or dispute subject to the resolution provisions of Section E-1 (Disputes) of this Contract. During the period of such resolution, the Company shall continue with its performance under the Contract.

E-5 Insurance: [CAO-1/12/09]

- (a) The Company shall procure and maintain, at its own expense, during the entire term of the Contract, the following coverage(s):
 - (i) Industrial/Workers' Compensation Insurance protecting the Company and the City from potential Company employee claims based upon job-related sickness, injury, or accident, during performance of this Contract, and must submit proof of such insurance on a certificate of insurance issued by an insurer qualified to underwrite workers' compensation insurance in the State of Nevada, in accordance with NRS 616A-616D, inclusive. If Company is a sole proprietor, it will be required to submit an affidavit indicating that the company has elected not to be included in the terms, conditions and provisions of NRS 616A-616D, inclusive, and is otherwise in compliance with those terms, conditions and provisions.
 - (ii) Commercial General Liability Insurance (bodily injury, property damage) with respect to the Company's agents assigned to the activities performed under this Contract in a policy limit of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 in the aggregate, for bodily injury (including death), personal injury and property damages. Such coverage shall be on an "occurrence" basis and not on a "claims made" basis, and be provided on either a Commercial General Liability or a Broad Form Comprehensive General Liability (including a Broad form CGL endorsement) insurance form. The form must be written on an ISO Form CG 00 01 10 01, or an equivalent form.
- (b) Company must provide required insurance documentation to Insurance Tracking Services (ITS) immediately upon notification of selection. Award is conditional upon verification by ITS that all insurance requirements have been met. All policy certificates and endorsements are required to be issued by an agent authorized by that insurer and licensed by the State of Nevada. All required aggregate limits must be disclosed and amounts entered on the certificate(s) of insurance. The certificates must identify the Contract number and the Contract description. The Company shall maintain coverage for the duration of this Contract, and any renewal periods if applicable. The Company shall annually provide ITS with a certificate of insurance as evidence that all insurance requirements have been met. The Company or insurance carrier shall provide the City with 30 day advance notice of policy modification, cancellation or erosion of insurance limits, sent by certified mail "return receipt requested".

Submit certificates of insurance to:

City of Las Vegas
C/O Insurance Tracking Services, Inc. (ITS)
P.O. Box 21919
Long Beach, CA 90801

Account Manager: Michael Palacios
Phone: (888) 435-2955 ext. 503
Fax: 562-435-2999
Email: michael.palacios@instracking.com

A certified, true and exact copy of each of the project specific insurance policies (including renewal policies) required under this Section E-5 shall be provided to the City if so requested.

- (c) The City, its officers and employees shall be named as additional insureds on the Company's general liability policy. Such notation shall appear on the certificate(s) of insurance furnished by the Company's insurance carrier. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer and licensed by the State of Nevada. Each insurance carrier's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required certificate of insurance. The City

requires insurance carriers to maintain a Best's Key rating of A VII, or higher. The adequacy of the insurance supplied by the Company, including the rating and financial health of each insurance carrier providing coverage, is subject to the approval of the City.

- (d) All deductibles and self-insurance retentions shall be fully disclosed in the certificate of insurance. No deductible or self-insured retention may exceed \$10,000.00 without the prior written approval of the City.
- (e) If the Company fails to carry the required insurance, the City may (i) order the Company to stop further performance hereunder, declare the Company in breach pursuant to Paragraph E-4 and terminate the Contract if not remedied, or (ii) purchase replacement insurance and withhold the costs or premium payments from the payments due to the Company, or charge the replacement insurance costs back to the Company.
- (f) The Company is encouraged to purchase any additional insurance it deems necessary.
- (g) The Company is required to remedy all injuries to persons and damage or loss to any property of the City caused in whole or in part by the Company, its subcontractors or anyone employed, directed or supervised by the Company.
- (h) The policies required in E-5 (a) shall have a Waiver of Subrogation provision endorsement in favor of the City.

E-6 Indemnification [CAO-7/24/08]

- (a) In addition to the insurance requirements set forth in Paragraph E-5 (Insurance), the Company shall protect, indemnify and hold harmless the City, its officers, employees, agents, and consultants (collectively herein the "City") from any and all claims, liabilities, damages, losses, suits, actions, decrees, and judgments including attorney's fees, court costs or other expenses of any and every kind or character (collectively herein the "Liabilities") which may be recovered from or sought against the City as a result of, by reason of, or as a consequence of, any act or omission, negligent or otherwise, on the part of the Company, its officers, employees, or agents in the performance of the terms, conditions and covenants of this Contract, regardless of whether the Liabilities were caused in part by the City.
- (b) If a third party claim against the City for negligent performance by the Company is within the limits of its liability insurance, and the insurance company has accepted the City's tender of defense, then the City will pay the Company what is due and owing to them within the payment method specified in this Contract. However, if the claim is greater than the coverage amount the City, for its protection, may retain any money due and owing the Company under this Contract, until the claim has been resolved.
- (c) It is expressly agreed that the Company shall defend the City against the Liabilities and, in the event that the Company fails to do so, the City shall have the right, but not the obligation, to defend the same and to charge all direct and incidental costs, including attorney's fees and court costs, to the Company.

E-7 Assignment [CAO-7/24/08]

Neither party may assign their rights nor delegate their duties under this Contract without the written consent of the other party. Such consent shall not be withheld unreasonably. Any assignment or delegation shall not relieve any party of its obligations under this Contract.

E-8 Waiver [CAO-7/24/08]

Waiver of any terms of this Contract shall not be valid unless it is in writing signed by each party. The failure of the City to enforce any provisions of this Contract, or to require performance of any of the provisions herein, shall not in any way be construed as a waiver of such provisions or to affect the validity of any part of this Contract, or to affect the right of the City to thereafter enforce each and every provision of this Contract. Waiver of any breach of this Contract shall not be held to be a waiver of any other or subsequent breach of this Contract.

E-9 Taxes/Compliance with Laws [CAO-7/24/08]

- (a) The City is exempt from paying Sales and Use Taxes under the provisions of NRS 372.325(4), and Federal Excise Tax, under Registry Number 88-87-0003k. Company shall pay all taxes, levies, duties and assessments of every nature and kind which may be applicable to any work under this Contract. Company shall make any and all payroll deductions required by law. Company agrees to indemnify and hold City harmless from any liability on account of any and all such taxes, levies, duties, assessments and deductions.

- (b) The Company, in the performance of the obligations of this Contract, shall comply with all applicable laws, rules and regulations of all governmental authorities having jurisdiction over the performance of this Contract including, but not limited to, the Federal Occupational Safety and Health Act, and all state and federal laws prohibiting or relating to discrimination by reason of race, sex, age, religion or national origin.

E-10 Audit of Records [CAO-8/5/08]

- (a) The Company agrees to maintain the financial books and records (including supporting documentation) pertaining to the performance of this Contract according to standard accounting principles and procedures. The books and records shall be maintained for a period of three (3) years after completion of this Contract, except that books and records which are the subject of an audit finding shall be retained for three (3) years after such finding has been resolved. If the Company goes out of business, the Company shall forward the books and records to the City to be retained by the City for the period of time required herein.
- (b) The City or its designated representative shall have the right to inspect and audit (including copy or transcribe) books and records of the Company pertaining to the performance of this Contract during normal business hours. The City will provide prior written notice to the Company of audit and inspection. If the books and records are not located in Clark County, the Company agrees to deliver them to the City, or to an address designated by the City in Clark County. In lieu of such delivery, the Company may elect to reimburse the City for the cost of travel (including transportation, lodging, meals and related expenses) to inspect and audit books and records at the Company's office. If the books and records provided to the City are incomplete, the Company agrees to remedy the deficiency after written notice thereof from the City, and to reimburse the City for additional costs associated therewith including, without limitation, having to revisit the Company's office. Company's failure to remedy the deficiency shall constitute a material breach of this Contract. The City shall be entitled to its costs and reasonable attorney fees in enforcing this Paragraph
- (c) If at any time during the term of this Contract or at any time after the expiration or termination of the Contract, the City or the City's designated representative(s) find the dollar liability is less than payments made by the City to the Company, the Company agrees that the difference shall be either: (a) repaid immediately by the Company to the City or (b) at the City's option, credited against any future billings due the Company.

E-11 Independent Contractor [CAO-7/24/08]

In the performance of services under this Contract, the Company and any other person employed by it shall be deemed to be an independent contractor and not an agent or employee of the City. The Company shall be liable for the actions of any person, organization or corporation with which it subcontracts to fulfill this Contract. The City shall hold the Company as the sole responsible party for the performance of this Contract. The Company shall maintain complete control over its employees and all of its subcontractors. Nothing contained in this contract or any subcontract awarded by the Company shall create a partnership, joint venture or agency with the City. Neither party shall have the right to obligate or bind the other party in any manner to any third party.

E-12 Severability [CAO-7/24/08]

The invalidity, illegality, or unenforceability of any provision of this Contract, or the occurrence of any event rendering any provision of this Contract void, shall in no way affect the validity or enforceability of any other provision of this Contract. Any void provision shall be deemed severed from the Contract, and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular provision held to be void. The parties further agree to amend this Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. This clause shall not prevent this entire Contract from being void should a provision which is of the essence of this Contract be determined void.

E-13 Conforming Services [CAO-7/24/08]

The services performed under this Contract shall conform in all respects with the requirements set forth in this Contract. The Company shall furnish the City with sufficient data and information needed to determine if the services performed conform to all the requirements of this Contract.

E-14 Modification/Amendment [CAO-7/24/08]

This Contract shall not be modified or amended except by the express written agreement of the parties, signed by a duly authorized representative for each party. Any other attempt to modify or amend this Contract shall be null and void, and may not be relied upon by either party.

E-15 Entire Contract, Section and Paragraph Headings [CAO-7/24/08]

- (a) This Contract represents the entire and integrated agreement between the City and the Company. It supersedes all prior and contemporaneous communications, representations, and agreements, whether oral or written, relating to the subject matter of this Contract.
- (b) The section and paragraph headings appearing in this Contract are inserted for the purpose of convenience and ready reference. They do not purport to define, limit or extend the scope or intent of the language of the sections and paragraphs to which they pertain.

E-16 Conflict of Interest (City Officials) [CAO-7/24/08]

- (a) An official of the City who is authorized on behalf of the City to negotiate, make, accept or approve, or take part in negotiating, making, accepting, or approving this Contract, payments under this Contract, or work under this Contract, shall not be directly or indirectly interested personally in this Contract or in any part hereof. No officer, employee, architect, attorney, engineer or inspector of, or for the City, who is authorized on behalf of the City to exercise any legislative, executive, supervisory or other similar functions in connection with this Contract, shall become directly or indirectly interested personally in this Contract or in any part hereof, any material supply contract, subcontract, insurance contract, or any other contract pertaining to this Contract.
- (b) Each party represents that it is unaware of any financial or economic interest of any public officer or employee of the City relating to this Contract. Notwithstanding any other provision of this Contract, if such interest becomes known, the City may immediately terminate this Contract for default or convenience, based on the culpability of the parties.
- (c) The Company represents and warrants that it has, in accordance with the current policy of the City, disclosed the ownership and principals of the Company on Attachment 1 (Certificate – Disclosure of Ownership/Principals), and that it has a continuing obligation to update this disclosure whenever there is a material change in the information contained therein.

E-17 Public Records [CAO-7/24/08]

The City is a public agency as defined by state law. As such, it is subject to the Nevada Public Records Law (Chapter 239 of the Nevada Revised Statutes). The City's Records are public records, which are subject to inspection and copying by any person (unless declared by law to be confidential). This Contract and all supporting documents are deemed to be public records.

E-18 Confidentiality – City Information [CAO-7/24/08]

- (a) All information including, but not limited to, oral statements, computer files, databases, and other material or data supplied to the Company is confidential and privileged. The Company shall not disclose this information, nor allow it to be disclosed, to any person or entity without the express prior written consent of the City. The Company shall have the right to use any such confidential information only for the purpose of providing services under this Contract, unless the express prior, written consent of the City is obtained. Upon request by the City, the Company shall promptly return to the City all confidential information supplied by the City, together with all copies and extracts.
- (b) The confidentiality requirements shall not apply where (i) information is, at the time of disclosure by the City, then in the public domain; (ii) information is known to the Company prior to obtaining same from the City; (iii) information is obtained by the Company from a third party who did not receive the same directly or indirectly from the City; or (iv) information is subpoenaed by court order or other legal process. But in such event, the Company shall notify the City and the City, in its sole discretion, may seek to quash such demand.
- (c) The obligations of confidentiality shall survive the termination of this Contract.

E-19 Marketing Restrictions [CAO-7/24/08]

The Company may not publish or sell any information from or about this Contract without the prior written consent of the City. This restriction does not apply to the use of the City's name in a general list of customers, so long as the list does not represent an express or implied endorsement of the Company or its services.

E-20 Limitation of Funding [CAO-7/24/08]

The City reserves the right to reduce estimated or actual quantities in whatever amount necessary without prejudice or liability to the City if funding is not available, or if legal restrictions are placed on the expenditure of monies for the services required under this Contract.

E-21 Changes – Fixed-Price Services [CAO-7/24/08]

- (a) The City may at any time, by written order, make changes within the general scope of this Contract in any one or more of the following (i) description of services to be performed; (ii) time of performance (i.e., hours of the day, days of the week, etc.); (iii) place of performance of the services.
- (b) If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under this Contract, whether or not changed by the order, the City shall make an equitable adjustment in the Contract price, the delivery schedule, or both, and shall modify the Contract.
- (c) The Company must assert its right to an adjustment under this clause within 30 days from the date of receipt of the written order; however, if the City decides that the facts justify, the City may receive and act upon a proposal submitted before final payment of the Contract.
- (d) If the Company's proposal includes the cost of property made obsolete or excess by the change, the City shall have the right to prescribe the manner of disposition of the property.
- (e) Failure to agree to any adjustment shall be a dispute under Paragraph E-1 (Disputes); however, nothing in this clause shall excuse the Company from proceeding with the Contract as changed.
- (f) The Company shall provide current, complete, and accurate documentation to the City in support of any request for equitable adjustment. Failure to provide adequate documentation within a reasonable time after a request from the City will be deemed a waiver of the Company's right to dispute the equitable adjustment proposed by the City, where such equitable adjustment has a reasonable basis at the time it is determined by the City.

E-22 Counterpart Signatures [CAO-9/24/08]

This Contract may be executed in counterparts. All such counterparts will constitute the same contract and the signature of any party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and, upon receipt, will be deemed originals and binding upon the parties hereto, regardless of whether originals are delivered thereafter.

SECTION F – List of Attachments/Exhibits

The following attachments are hereby incorporated into this contract:

<u>Identifier</u>	<u>Title/Text Reference</u>	<u>Pages</u>
Exhibit A	Payment Deliverables Based on DSP Program Foundation Document [Section B-3]	1
Exhibit B	Program Foundation Document [Section B-3]	22
Exhibit C	Certificate – Disclosure of Ownership/Principals [Paragraph E-16(c)]	2

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed by their duly authorized representatives.

CITY OF LAS VEGAS

KATHLEEN C. RAINEY, Manager
Purchasing and Contracts

"City"

ATTEST:

BEVERLY K. BRIDGES, MMC
City Clerk

APPROVED AS TO FORM:

Robert S. Sylvain
Deputy City Attorney

9-7-11

Date

Artech Group, Inc.

Phil Virmani

9-8-11

Rick Virmani, President

"Company"

EXHIBIT A - PAYMENT DELIVERABLES BASED ON DSP PROGRAM FOUNDATION DOCUMENT

No.	Deliverable Description	Approx. Delivery	Unit Price	Qty	Extended Price
1	Business Context section completed	October, 2011	\$ 2,400.00	1	\$ 2,400.00
2	Single Business Process completed in Business Requirements section	Weekly	\$ 1,200.00	45	\$ 54,000.00
3	Individual system documented in Technical Requirements section	Monthly	\$ 1,600.00	18	\$ 28,800.00
4	Next Steps section completed	December, 2011	\$ 4,800.00	1	\$ 4,800.00
5	Executive Overview completed in Introduction section	February, 2012	\$ 1,600.00	1	\$ 1,600.00
6	Final DSP Program Foundation Document delivered	February, 2012	\$ 4,000.00	1	\$ 4,000.00

Total Not to Exceed

\$ 95,600.00



City of Las Vegas

Development Services Process

Program Foundation

August 29, 2011

OUTLINE

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1 Introduction

1.1 Executive Overview

Based on the goals and objectives set forth by the City of Las Vegas in the Development Services Process (DSP) Strategic Management Plan, the details of the program execution plan are contained in this document titled DSP Program Foundation. The purpose of this document is to drive the activities necessary to create a roadmap for the implementation of new computer systems, business process improvements and facilities changes needed to accomplish the goals of the DSP program.

<Insert summary of program plan and findings>

1.2 The Requirements Gathering Process

The requirements gathering process consists of four main parts:

Functionality Analysis

The functionality analysis identifies the most important capabilities needed to improve the Development Services business processes. For each function identified, we describe high level features and estimates (High, Medium or Low) for technical complexity and overall business benefit.

Technology Analysis

The technology analysis identifies the existing technology infrastructure within City of Las Vegas and any anticipated future technology directions related to the DSP Program.

Business Benefits Analysis and User Requirements

The business benefits analysis qualifies and quantifies the benefits that can be achieved by implementing/enhancing each specific business process change and new computer system capability.

Organizational Readiness

Organizational readiness is defined to include the ability of the City to accurately define and implement proposed functionality, the business infrastructure to support the new functionality, and the direction of the business as it is impacted by the new functionality.

By merging the results of these analyses, the team developed a functionality table that prescribes a comprehensive set of opportunities for the DSP Program. The opportunities are ranked according to a combination of their relative business benefit and technical complexity/cost to implement, recognizing that some functions are infrastructural in nature and that some may be interdependent. The goal of this process is to maximize business benefit and user need, while minimizing unnecessary technical complexity and cost.

1.3 Project Objectives and Deliverables

The purpose of the DSP Program Foundation project was to analyze City of Las Vegas' current business processes and identify, prioritize, and plan (for implementing) the functional, system and facility changes needed accomplish the goals of the program. This document serves as a summary of the project's findings. This document will be used as input into the subsequent phases of the DSP Program. It includes the following sections:

Business Context

This section outlines the business challenges facing City of Las Vegas by examining corporate goals and critical success factors. In addition, project goals and project success factors are discussed along with key measurements of success.

Business Requirements

The identified business requirements are presented in a Business Requirements Matrix, prioritized by business benefits, technical complexity, and user requirements. Descriptions are provided for each cell in the Business Requirements Matrix.

Technical Requirements

Planned hardware, software, and network requirements for the systems that will be part of the final DSP solution have been defined in terms of high level architectures for the systems and the supporting infrastructure.

Next Steps

A phased road map for proceeding with the implementation of the new and enhanced functionality is included along with time and cost estimates for the recommended next steps.

Appendix

A list of supporting information, including process flows, glossary, and business case assumptions. A list of unresolved issues requiring further consideration and any assumptions that guided certain decisions during the Foundation process are also included in the appendix.

1.4 Project Participants

The project team was composed of the following representatives from across all departments at the City of Las Vegas.

Project Participants	Project Participants	Project Participants
<Insert participant names>		

2 Business Context

2.1 Introduction

The primary purpose of the business context discussion is to outline the program goals and related strategies that were identified during meetings with the Steering Committee and their key representatives. These goals lay a foundation and provide direction to the project in the form of the overall DSP vision. This section also covers the Critical Success Factors that were identified by the Steering Committee.

2.2 DSP Program Goals

The team identified the following project goals to drive the Development Services towards a solution that meets the City's vision:

- **Goal #1** – Substantially reduce the time required for customers to get through the development review process.
Strategies identified for this goal were:
 - Employ technology wherever possible to manage, expedite and provide for more convenient customer access to services.
 - ...
- **Goal #2** – Transfer the burden of tracking and handling the Development Services processes from the customer to the City.
Strategies identified for this goal were:
 - ...
 - ...
- **Goal #3** – Empower employees to serve customers when, where and how they need to, in order that the customer feels we are doing the very best we can to meet their needs.
Strategies identified for this goal were:
 - ...
 - ...
- **Goal #4** – ...
Strategies identified for this goal were:
 - ...
 - ...
- **Goal #5** – ...
Strategies identified for this goal were:
 - ...
 - ...

2.3 DSP Program Critical Success Factors

Critical success factors are those actions that the project team must do well in order to realize the project goals. The critical success factors as identified by the Project Steering Committee are listed below.

The DSP Program team must (examples below):

- Provide just-in-time training for all users with follow-up
- Allow sufficient time for important project objectives and issues
- Build consensus and maintain buy-in from all stake-holders
- Keep project team accountable for deliverables and milestones
- Use of effective and positive approach to change management
- Promote departmental ownership of processes

3 Business Requirements

3.1 Introduction

The process and functionality discussions began with brainstorming sessions. This session gave the team, composed of representatives from City of Las Vegas IT, Business Analysts and Users, the opportunity to discuss current processes and practices and identify potential areas for improvement. These ideas, in conjunction with work to date in this area, were synthesized into the Business Requirements Matrix (see section 3.2 below), a graphical summary of the proposed functionality and Business Requirements. The first column of the table represents the major Development Services Processes, which are then detailed by function along the respective rows.

Discussions were held to further detail each cell in the Business Requirements Matrix, focusing on the features and interactions involved. Those sessions resulted in the creation of a functionality description for each cell representing a single requirement. Once the descriptions were completed, the team focused on identifying the qualitative and quantitative business benefits associated with each cell. As a final step, the teams set out to prioritize the detailed requirements.

3.2 Business Requirements Matrix Description

In order to facilitate the requirements discussions, the team addressed the prioritization of the functionality from several perspectives: user opportunities and business benefits, technical complexity and organizational readiness.

By combining each of these measures, the team was able to develop a preliminary phased Business Requirements Matrix. The shading of the cells indicates the phasing of the Business Requirements Matrix: no shading indicates the first phase, light gray shading indicates the second phase.

User Requirements and Business Benefit

The team analyzed each cell for its importance to the application from the user's perspective and the potential benefit to the City. By combining the resulting scores for each of the cells, a relative benefit rating was assigned to each cell. The following rating system was used:

Rating	Business Benefit	DSP Opportunities
High – B(H)	Significant business benefit opportunities across several benefit categories.	Critical functionality that must be included in the initial phases of the DSP Program.
Medium – B(M)	Minor business benefit across several categories or significant benefit across only a few categories.	Important to the business process, but not immediately necessary; a manual process exists that can be used in the interim.
Low – B(L)	Minor business benefit for one or two categories.	Nice to have functionality, but not immediately critical.

Technical Complexity

Separate discussions were held to explore the technical complexity of each cell. The following rating system was used:

Rating	Description
High – T(H)	Extremely challenging, complex business rules, significant performance issues, or requires extensive software customization or unavailable technology.
Medium – T(M)	Extensive business rules, some technical risk involved. The existing code sets or configuration options may be used to simplify the implementation.
Low – T(L)	Minimal technical challenges, similar functionality already exists which can be used to simplify the implementation. Or the requirement is heavy on business process implementation and light on systems needs.

Organizational Readiness

The team examined each cell for its impact on City of Las Vegas' organizational readiness. Organizational readiness was defined at a high level to included, but was not limited to the following.

- The ability of the business to accurately define and implement the new functionality
 - The business infrastructure to support the new functionality
 - The direction of the business as it is impacted by the new functionality
- In areas where the organization was not in a position to support the functionality, now or in the near future, the functionality was considered out of scope, and may be reviewed in the future.

3.3 DSP Program – Business Requirements Matrix

PRE-APP PROCESSES										
Process	1	2	3	4	5	6	7	8	9	10
A <EXAMPLE> Initial consultation to signed pre-app process	<EXAMPLE> Allow for entire pre-app submission to be completed online	<EXAMPLE> Automate scheduling of pre-app meetings								
B <EXAMPLE> Submission of applications to Planning & Development	B(H):T(M)	B(M):T(M)								
C										
D										
E										

☐ Phase 1

☐ Phase 3

☐ Phase 2

☐ Out of scope

PLANNING & DEVELOPMENT PROCESSES										
Process	1	2	3	4	5	6	7	8	9	10
F										
G										
H										
I										
J										
K										

Phase 1

Phase 2

Phase 3

Out of scope

PUBLIC WORKS PROCESSES										
Process	1	2	3	4	5	6	7	8	9	10
F										
G										
H										
I										
J										
K										

☐ Phase 1
 ☐ Phase 2
 ☐ Phase 3
 ☐ Out of scope

BUILDING & SAFETY PROCESSES										
Process	1	2	3	4	5	6	7	8	9	10
F										
G										
H										
I										
J										
K										

☐ Phase 1
 ☐ Phase 2
 ☐ Phase 3
 ☐ Out of scope

Process	FIRE PROCESSES									
	1	2	3	4	5	6	7	8	9	10
F										
G										
H										
I										
J										
K										

Phase 1

Phase 2

Phase 3

Out of scope

BUSINESS LICENSING PROCESSES										
Process	1	2	3	4	5	6	7	8	9	10
F										
G										
H										
I										
J										
K										

Phase 1

Phase 2

Phase 3

Out of scope

3.4 ***Business Requirements Specifications***

The following Requirements Description Template describes the information recorded for each process and its corresponding functional requirements:

3.5 **<Process Name>**

The name of the business process as indicated in the left hand column of the Business Requirements Matrix.

Description

A detailed description of the business process.

Process Flow Diagram

A high-level process flow diagram for the functional area, if required.

Business Requirements

- A bullet list of all Business Requirements for this process. The Business Requirements correspond to the cells found in the process row.

Notes

- Any notes for this process.

3.5.1 <Requirement Name>

The name of the Business Requirement as indicated in the cells in the corresponding row to the specified business process.

Row	Column	Overall Business Benefit	Overall Technical Complexity
A	1	High, Medium or Low	High, Medium or Low

Description

A brief description of the Business Requirement.

Features

- Special features related to this requirement
- Sorting functionality, etc.

Business Benefits

Identification of all the potential quantitative and qualitative benefits from the implementation of this requirement. This list provides the background for the overall Business Benefit rating for the opportunity.

Technical Complexity

The different technical areas are rated (High, Medium or Low) on the basis of the quantity of technical effort and the relative complexity of the opportunities for this function. The following technical areas are rated:

Technical Area	Level of Complexity
Process design	High, Medium or Low
Configuration and setup	High, Medium or Low
Business rules and logic	High, Medium or Low
Data interfaces	High, Medium or Low
Reports and access rights	High, Medium or Low
User testing	High, Medium or Low

Other Technical Complexities

- Any additional complexities with the system

Notes

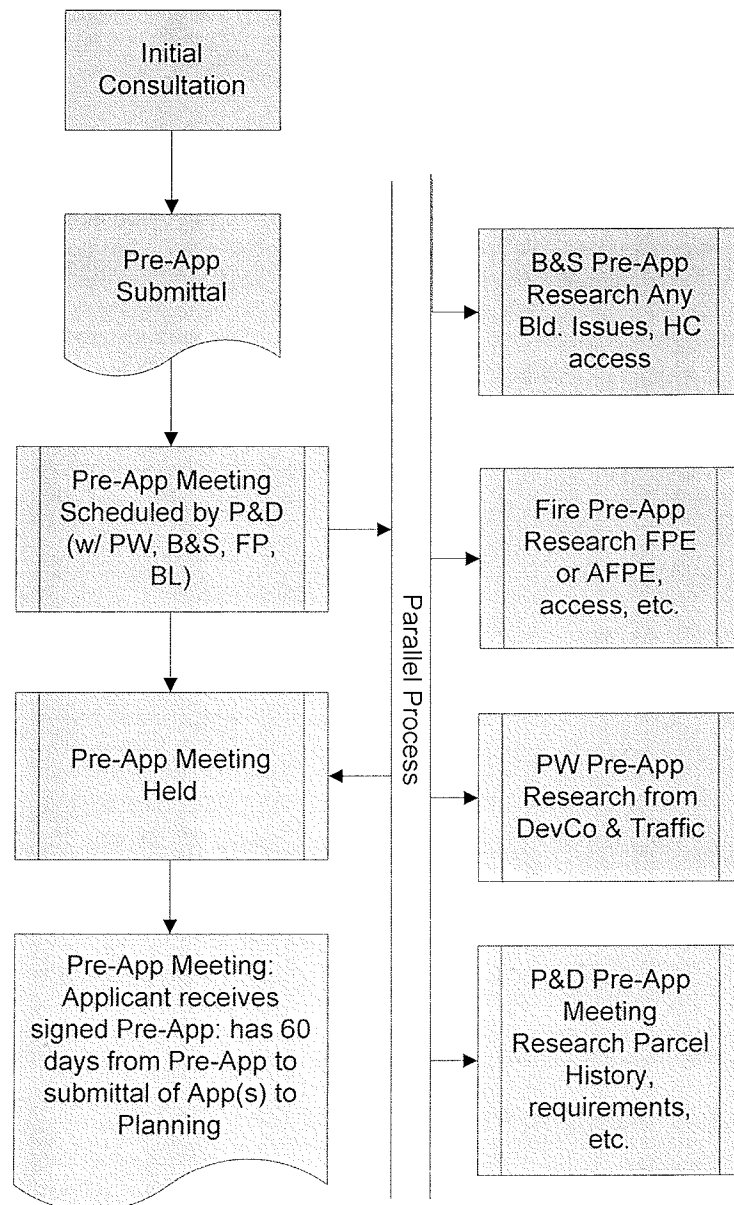
- Any notes for this Business Requirement.

3.5 <EXAMPLE> Initial consultation to signed pre-app process

Description

<Insert narrative description of current process>

<EXAMPLE> Process Flow Diagram



Business Requirements

- <EXAMPLE> Allow for entire pre-app submission to be completed online
- <EXAMPLE> Automate scheduling of pre-app meetings

Notes

- None.

3.5.1 <EXAMPLE> Allow for entire pre-app submission to be completed online

Row	Column	Overall Business Benefit	Overall Technical Complexity
A	1	High	Medium

Description

<Insert a narrative description of the requirement>

Features

- Publish all pre-app forms online
- Allow customers to create a login to save pre-app forms and submissions

Business Benefits

- Reduce customer visits to City offices
- Improved record-keeping of customer related events

Technical Complexity

Technical Area	Level of Complexity
Process design	Medium
Configuration and setup	Medium
Business rules and logic	Medium
Data interfaces	Low
Reports and access rights	Low
User testing	Medium

Other Technical Complexities

- None.

Notes

- None.

4 Technical Requirements

4.1 Introduction

This section identifies the proposed systems that have been selected for implementation as part of the DSP Program. This systems identified here are required for the implementation of the functions and services described in the Business Requirements section (Section 3) above.

The topics covered in this section include:

- Process Overview
- Systems Selected
 - Business requirements supported by each system
 - Infrastructure requirements of each system
 - Budget details for each system

4.2 Process Overview

The technical meetings focused on reviews and demos of potential software solutions to support the goals and objectives of the DSP Program.

<Insert description of systems selection steps>

4.3 <Selected System Name>

Based on the business requirements gathered during the DSP Program Foundation project, the <system name> was selected to meet the following requirements detailed in the Business Requirements section (Section 3) above.

4.3.1 Business Requirements

- ...
- ...

4.3.2 Infrastructure Requirements

The following technical architecture diagram shows the infrastructure requirements for the <system name>.

<Insert technical infrastructure diagram here>

4.3.3 Budget Requirements

<Insert budget and cost details here>

5 Next Steps

5.1 Recommendations

The team concluded, during the project, that City should take a phased approach in implementing the requirements identified for the DSP Program. Based on the findings, there are <number of phases> phases necessary to satisfy the business requirements identified in Section 3 of this document. These phases can be summarized as follows:

<Insert summary of phases here>

5.2 High Level Project Plan

The following Figure displays the overall project plan for the phases of the DSP Program implementation.

Figure 1: High Level Project Plan

<Insert high level project plan here>

5.3 Detailed Phase 1 Project Plan

The following Figure displays the detailed project plan for the first phase of the DSP Program implementation.

Figure 2: Detail Phase 1 Project Plan

<Insert phase 1 project plan here>

6 Appendix

A list of supporting information, including process flows, glossary, and business case assumptions. A list of unresolved issues requiring further consideration and any assumptions that guided certain decisions during the Foundation process will be included in the appendix.