APPENDIX E

TASK 2 COST SCHEDULE AND RATE SCHEDULE

Task 2: CPCS Specification & Implementation Fixed Fee

Deliverable ID	Deliverable Name	Fixed Fee
STP 1.0	Project Management & Quality Plan (PMQP)	$83,072
STP 2.0	Baseline Resource Loaded Project Schedule	$23,760
STP 3.0	Communications/Organizational Change Management Plan	$12,480
STP 4.0	Core Project Team Training Plan	$32,000
	Startup Phase Sub Total	**$151,312**
BA 5.0	Project Kickoff	$7,664
BA 6.0	Business Process Reengineering (BPR) Recommendations	$151,836
BA 7.0	RIDS Analysis	$139,776
BA 8.0	Updated Business Requirements & Traceability Matrix	$5,064
BA 9.0	Core Project Team Training	$5800
BA 10.0	Technical Infrastructure Analysis, Procurement Specifications & Acquisition Support	$23,928
BA 11.0	Software & Hardware Installation & Technical Environments Maintenance	$145,800
	Business Analysis Phase Sub Total	**$443,868**
DS 12.0	Fit-Gap Analysis & Findings	$28,152
DS 13.0	Functional & Technical Specifications for Reports	$19,740
DS 14.0	Functional & Technical Specifications for Interfaces and Systems Integration	$15,000
DS 15.0	Functional & Technical Specifications for Data Conversion	$17,400
DS 16.0	Functional Specifications for Security	$17,400
DS 17.0	Requirements Gap Cost-Benefit Analysis and Customizations Approval	$31,592
DS 18.0	Final To-Be Functional Design & Business Changes	$74,800
DS 19.0	Functional and Technical Specifications for Workflow	$59,440
DS 20.0	Best Practice Organizational Model Recommendations	$33,000
DS 21.0	Training Assessment Findings & Recommendations	$33,160
	Design Phase Sub Total	**$329,684**
DV 22.0	Application/Workflow Configuration & Documentation	$60,400
DV 23.0	Queries and Reports Development & Documentation	$61,600
DV 24.0	Interfaces and Integration Development & Documentation	$111,600
DV 25.0	Data Conversion Implementation & Reconciliation Proof Documentation	$175,120
DV 26.0	Security Implementation & Documentation	$30,080
DV 27.0	Proposer Unit & Functional Testing Results Documentation	$51,120
DV 28.0	Requirements Traceability Validation	$39,144
DV29.0	Validation (Testing) Phase Plan	$67,560
DV 30.0	Training Materials Development	$268,000
	Development Phase Sub Total	**$864,624**
VL 31.0	Deliver UAT Orientation/Training	$48,920
VL 32.0	Implement UAT Testing & Formal Signoff of Functional	$145,000

Deliverable ID	Deliverable Name	Fixed Fee
	Testing	
VL 33.0	Implement Performance Testing & Acceptance Signoff	$33,200
VL 34.0	IT Operations Procedures & Training	$23,456
VL 35.0	Final Training Materials	$14,600
	Validation Phase Sub Total	**$265,176**
DP 36.0	Deliver Formal End User Training	$42,920
DP 37.0	Go Live Help Desk and Field Support Operational and Logistics Plan	$75,000
DP 38.0	Cut Over plan & Go Live Communications Package	$21,736
DP 39.0	Go Live Readiness Checklist Assessment	$10,104
DP 40.0	Post Production Support Plan	$27,000
DP 41.0	Implement Cut-Over (Go Live)	$11,200
DP 42.0	Post Production Issues Management & Resolution	$247,200
DP 43.0	Final System Acceptance	$9,888
	Deployment Phase Sub Total	**$445,048**
	Task 2 Total Implementation Fixed Fee Cost	**$2,499,712**

ALLOWANCE SUMMARY TABLE

	Hill Estimated Costs	SFMTA Allowance
SFMTA Allowance for Core and Support Software	$700,534	$1,050,000
SFMTA Allowance for Software Customization		$480,000
SFMTA Allowance for Supplemental Work		$1,022,000

BONDS (Based on Hill Implementation Fixed Fee + SFMTA Allowance Items)

Hill International Surety Bonds	$53,548
Stellar Surety Bonds	$50,408
Subtotal Bonds	$103,956

Task 2: CPCS Staff Fully Burdened Rates (All Inclusive)

HILL INTERNATIONAL
Prime Consultant

Proposed Staff Classification	Fully Burdened Hourly Rate (all inclusive, including profit, travel, etc.)	Comments
Business Process Project Manager	$180	
Change Management Lead	$166	
Training Lead	$154	
Scheduling Business Process Lead	$154	
Tech Writer	$118	
Contract Manager Business Process Lead	$154	
Training support	$128	

Task 2: CPCS Staff Fully Burdened Rates (All Inclusive)

EcoSys
Subconsultant

Proposed Staff Classification	Fully Burdened Hourly Rate (all inclusive, including profit, travel, etc.)	Comments
Funds Manager Implementer	$200	
Ecosys Developer	$200	

Task 2: CPCS Staff Fully Burdened Rates (All Inclusive)

Stellar Services
Primary Partner
Task 2 Leader – CUCP/DBE

Proposed Staff Classification	Fully Burdened Hourly Rate (all inclusive, including profit, travel, etc.)	Comments
Tech Requirements & Configuration Lead	$135	
Primavera & Functional Tester & Contract Manager Implementer	$110	
Deliverables Manager	$165	
Open Text Developer	$150	
SharePoint and Oracle Developer	$135	
Document Control Business Process Lead	$165	
Infrastructure Lead	$135	
IT Project Manager	$215	
Integration Lead	$135	
SharePoint & Progress Report Developer & Integration Support	$110	
Sr. Database Developer	$135	

APPENDIX F

CLARIFICATION OF AGREEMENT

In the course of final negotiations for this Agreement, the Parties identified provisions in the Agreement that may be ambiguous or incomplete. The following provisions clarify the intent of the Parties and the meaning of the Agreement.

1.   Project Schedule.

      1.1.   Contractor shall as the second deliverable (STP 2.0) provide a Project Baseline Schedule (which when approved shall replace Appendix C to this Agreement) for the SFMTA's review and approval that sets out in calendar days commencing on the Effective Date the following: (1) the days in which it will complete each Milestone or other Deliverable for the Project; (2) the days in which the City shall review and provide comments to Contractor on each Milestone or other Deliverable; (3) the Days in which it will complete the Project. The Baseline Schedule shall be approved by the Parties in writing. Contractor's incorporation of City's comments to deliverables, correction, or reperformance of Work shall not extend the Project schedule, unless approved by both parties in writing.

      1.2.   Contractor shall complete each Milestone or other Deliverable and the Project as a whole within the periods agreed by the Parties in the approved Baseline Schedule, as that schedule may be amended by written agreement of the Parties.

      1.3.   Contractor shall complete Capital Program Controls System design and implementation and 3-month post production support (Task 2) within 18 months of the date the City first issues Notice to Proceed to Contractor.

      1.4.   Contractor may request an extension of time to complete the Project or any portion thereof by amendment of the Baseline Schedule if said extension is necessary due to delay that is not caused by the Contractor. Any extension of time must be memorialized in a written amendment to the Contract.

      1.5.   Liquidated damages for Contractor's delay apply to each day beyond the period provided in the most recent approved Project Schedule for the completion of the Capital Program Controls System design and implementation (Task 2). Contractor shall have 18 months to complete Task 2, unless said time to complete Task 2 is extended by amendment to the Contract. The period for completion of Task 2 shall commence on the date the City first issues Notice to Proceed to Contractor. . Liquidated damages for Contractor's delay shall not apply to any period for which the City has granted in writing an extension of time for completion of Task 2.

2.   Incorporation of City's Comments

Contractor shall provide the City sufficient opportunity to respond and provide comments and critique of each of Contractor's Deliverables. Contractor shall amend each Deliverable in accordance with the City's comments, or shall in writing communicate to the City why it deems it inappropriate to do so. Incorporation and

response to the City's comments is included within the Contract Price and is not Additional Work.

3.   Notice and Opportunity to Cure

If the City determines that Contractor is in breach of this Agreement, prior to declaring Contractor in default of the Agreement, the City shall provide written notice to Contractor of the nature and circumstances of the breach. Contractor shall have Five (5) calendar days to dispute said notice and provide the City with explanation or proof that it is not in breach of Contract. If Contractor does not dispute that it is in breach of this Agreement or if the City rejects Contractor's dispute of breach, Contractor shall have 15 calendar days from the date that the City issued the notice of breach either to cure the breach or provide a plan and schedule acceptable to the City by which it will cure the breach.

4.   Software Procurement

If requested by the City, Contractor shall procure the software required for the Project (as specified in Contractor's Proposal) and related software use licenses. The City shall assist Contractor in those procurements. All software license agreements for software procured by Contractor shall list the City as a licensee. The terms of each said software license must be acceptable to and approved by the City and shall generally conform to the license contract terms described in Appendix B to this Agreement. If the Contractor is listed in any software license as a licensee, the Contractor's rights under that license must be assignable to the City. For any software that the City determines it will procure itself, Contractor shall provide support and assistance in negotiating the license(s) for that software. The method or means by which software is procured for the Project is not Additional Work, and shall have not relieve Contractor of its obligations as to the functionality of the software it has specified or approved for the Project.

5.   Compensation for Additional Work

5.1.   Where the City designates Additional Work to be performed in Task 2, the City shall pay Contractor a negotiated Lump Sum amount as compensation for that Work, which shall include a Fixed Fee.

5.2.   The City shall make monthly progress payments for Additional Work designated to be paid cost plus Fixed Fee. Other Additional Work shall be paid Lump Sum based on agreed Milestones or completion of the Additional Work deliverable(s), where the time to complete all Lump Sum Work under the relevant Task Order exceeds one month.

5.3.   For Work and Additional Work that the City designates to be paid as Cost Cost-plus-Fixed Fee, the City will reimburse Contractor for only those expenses that are allowed under the principles set out in the Office of Management and Budget Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments" and as specifically authorized therein and as allowed under the compensability standards set out in 48 C.F.R. parts 31.105, 31.2, 31.6 and the Cost Accounting Standards set out in 48 C.F.R. part 9904 et seq. Compensation for Cost-plus-Fixed-Fee Work will be computed as follows:

(a)   Actual direct salaries paid by Contractor and sub-consultants, subject to proof.

(b)   Actual costs or prices of approved Reimbursable Expenses for the Contractor and sub-consultants at any tier, net of any discounts, rebates, refunds, or other items of value received by Contractor or any of its sub-consultants that have the effect of reducing the cost or price actually incurred. Compensation for materials and expenses shall be at direct cost, without any mark-up.

(c)   Contractor shall not "mark-up" or request additional compensation for work performed by sub-consultants.

(d)   Costs for which Contractor seeks compensation must be necessary in order to accomplish the work and reasonable for the services performed.

6.   Additional Obligations and Qualifications

6.1.   Implementation of systems other than those specifically identified or those whose functions are identified in the RFP shall be Additional Work.

6.2.   The City will provide sufficient staff and resources to the support the Project and completion of the Work according to the Baseline Schedule, including access to SFMTA documents, personnel and systems, and providing prompt responses to Contractor's requests for information, responses to submittals, and review of deliverables. The SFMTA will provide Contractor with all available documentation it possesses as to operation of existing legacy systems and the City's current business practices. The City makes no warranty or representations as to the accuracy or completeness of said documents. Contractor shall commence its work by reviewing and validating said documents.

6.3.   Each Party recognizes and affirms that it has an obligation to meet agreed deadlines set out in the Baseline Schedule and in such other written schedules that the Parties may establish. Where no response time is stated in the Baseline Schedule or other agreed schedule, Contractor shall provide the City adequate and reasonable time to review and provide responsive comments to Contractor submittals, deliverables and requests for information.

6.4.   Contractor is responsible for full integration between and/or among the proposed CPCS software modules. Contractor is also responsible for integration between CPCS and legacy systems as defined in the RFP. Integration with any other software packages shall be treated as Additional Work.

6.5.   The City shall provide support and resources to assist Contractor in cleaning, migrating and validating data from legacy systems into the CPCS, but Contractor shall at all times have primary responsibility for the means, methods, performance and quality of that work. Contractor shall generally use fully automated flat file integration methods to transfer data between legacy systems and the Capital Program Control System ("CPCS"). Contractor may use in its discretion utilize alternative methods of data migration where the use of such methods is more efficient or effective.

6.6.   Contractor's Proposal is premised on the use of commercially available software, the functions and code fields of which can be configured to meet the CPCS functions and performance requirements (as set out in Table 1 of the RFP) without extensive customization of the software.   Customization of software authorized by the City shall be compensated as Additional Work under the applicable Customization allowance.