



March 3, 2006

Ms Annette Schilling
Lewis and Clark Coordinator
North Dakota Dept. of Commerce, Tourism Division
Century Center
1600 E. Century Ave. Suite 2
PO Box 2057
Bismarck, N.D. 58502-2057

SUBJECT: North Dakota Tourism :: AdventGX :: Learning Based Vacation (LBV) - Proposal

Dear Annette:

AdventGX (hereafter AGX) is pleased to submit this proposal. We are confident that we will be able to provide you with the highest level of expertise and knowledge necessary to implement your project.

The purpose of this document is to provide you with a proposed approach for the implementation of your Learning Based Vacations Initiative and, in turn, help stimulate travel in North Dakota. As per our conversation, included please find a proposed approach for Phase one of this project and related deliverables.

As per our previous conversations the following is our current understanding of your needs in relation to your LBV initiative:

- Develop Web-based infrastructure to enable travelers to find pre-arranged educational travel opportunities to maximize the educational value intrinsic to travel experiences.
- Link Feature: this function will Collect and Catalog top quality time-referenced and geo-referenced educational experiences from across North Dakota, submitted by LBV resources.
- Search feature: this feature will be modeled after the Texas Education Vacation site (www.TexasEducationVacation.com), including keyword search capabilities. Individuals will have the option to search by activity or a specified location. This feature will include a map based interface, allowing travelers to use a graphical "geo-referenced" map of the State of North Dakota to find travel opportunities and community information.
- Database Feature: LBV resources, or experts, will be listed on the site as a provider for a specific LBV program. These resources will be able to add, delete or edit their own information with a User ID and password. Resources will be able to complete their own itinerary description and choose appropriate icons applicable to their particular LBV program.
- An LBV management module will include a quality control feature and editing option allowing a representative from ND Tourism to review, then accept or decline all requested submissions and changes. This feature will be similar to the existing functionality that AdventGX built into the Texas Education Vacation system.
- Tracking Feature: (otherwise referred to as "web-analytics") will provide North Dakota Tourism the ability to track system use metrics and set and measure the LBV project performance. This functionality will provide important information for marketing purposes and for determining the

future course of the LBV initiative based on visitation metrics, customer feedback and popularity measures. Please note: the specific functionality of this Feature will be determined from the ASD workshop and stakeholder feedback.

Based on our recent conversations and our understanding of your needs as they relate to your initiative, we have prepared the attached proposed approach.

Annette, we recognize the strategic value of a strong linkage with your organization and the possibility of engaging in a long-term relationship. In order to show our commitment to a mutually beneficial relationship, please know that our pricing structure for this project has been adapted to fit a non-profit/government engagement class in order to support your noble cause. Furthermore, we will sponsor all hosting fees during the first 4 months of the project (starting in May of this year). As you will see in our Financial Proposal Section, we are structuring this engagement as a fixed cost project for the total amount of 15,000.00 US Dollars.

We appreciate the opportunity to provide our services and look forward to working with you on this project. Please contact our office or me if you have any questions at my direct line (979 575 6401).

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Skadberg", with a long, sweeping horizontal line extending to the right.

Andrew Skadberg, Ph.D.
Chief Knowledge Officer



Approach

Overview

In order to establish a project timeline, we based our projections on previous experience with similar project baselines and overall functionality. During our estimation process we took into account the fact that we will have direct and prompt access to the project sponsor (your team) and that as such you also will be our SME (Subject Matter Expert) in matters related to project issues, governance, community access and resources, thus enabling us to expedite the design and strategy deployment processes of this engagement. The financial proposal section of this document applies only to Phase one of this project and it is provided as a fixed cost inclusive of professional services and project incidentals.

This approach adheres to our standard AdventGX methodology and should serve as the design and implementation framework to be adjusted to comply with your internal guidelines.

Within two weeks of our project kickoff (Mar. 10, 2006) date we will schedule a strategy deployment workshop (early April 2006) also referred to as ASD or AdventGX Strategy Deployment with your team (Project Board Members). This workshop will be held at our Texas A&M Research facility here in College Station, Texas. We will ask your support in helping us identify and recruit workshop participants in order to obtain proper stakeholder representation. There is more detail below on our ASD process. From this meeting we derive particular needs, wants, expectations, perceived risks, and detailed functional specifications. We will video record the event for documentary purposes.

Our ASD methodology produces a Strategy/Function/Feature Matrix as the primary workshop deliverable. After deriving and documenting the strategy and functional decomposition of the Learning Based Vacation 'solution space', we will rank each solution component based on value and priorities set by your Project Board and workshop participants. We then assign estimated levels of effort associated with each component. This allows us to adjust strategy components, tactical elements and project functionality in order to meet the determined project timeline as well as to comply with your budget. The ASD Matrix deliverable then becomes the basis for your LBV System development plan.

Our standard Systems Design includes the following deliverables:

- Design workshop (pre-op tasks, research & facilitation)
- Strategy Matrix (Master Project Specifications with suggested implementation methods, effort estimates, [per component] user prioritization metrics, and integrated risk assessment / recommendations)
- Proposed System Implementation timeline
- High-level strategy implementation architecture (solution map)
- Estimated Project Implementation Costs (including promotional activities other non-IT related tasks)

[For additional details please see the document describing our ASD Approach] –
Included as the second attachment to this correspondence email.

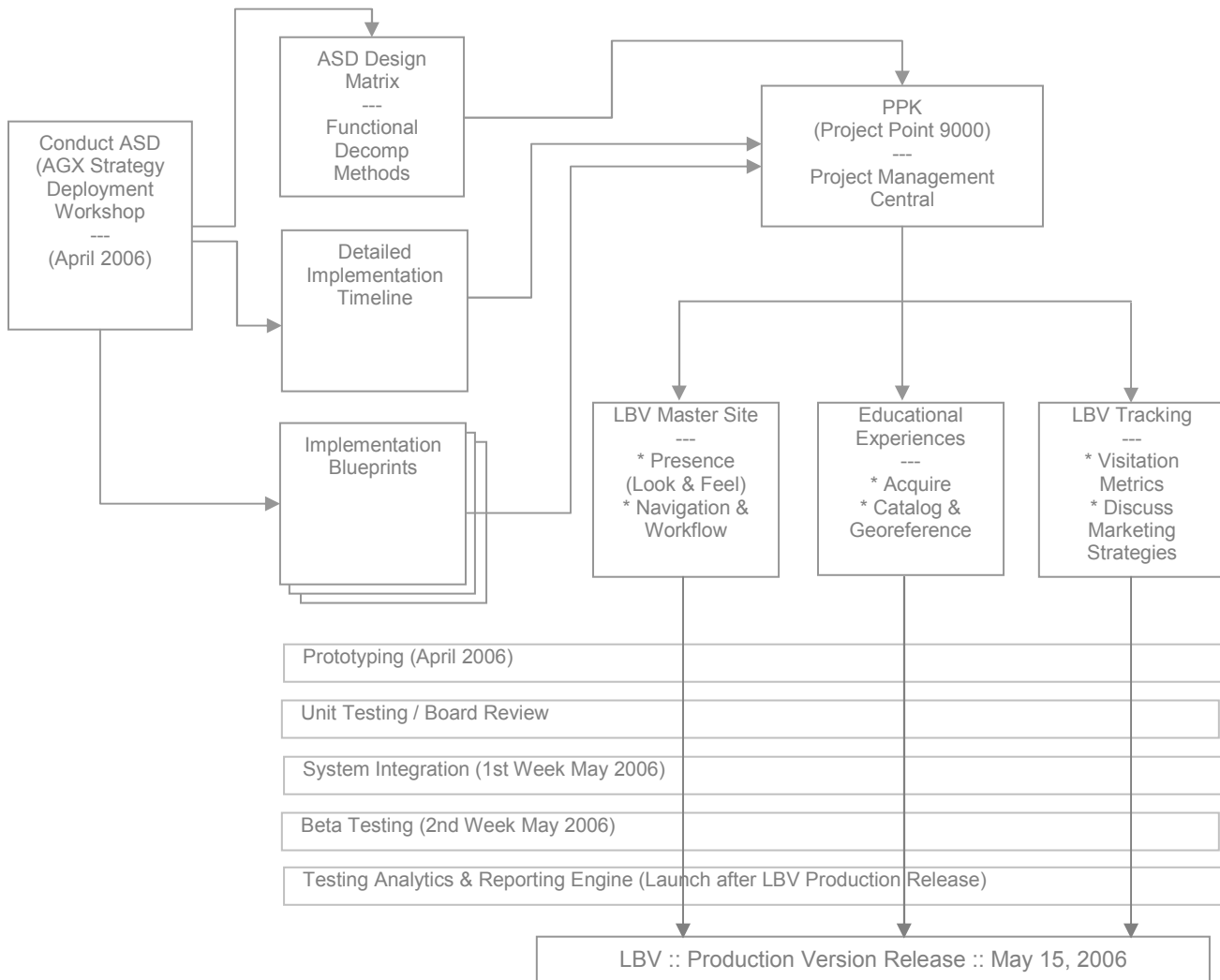
Project Management – PP9K (ProjectPoint 9000)

PP9K represents the vessel that delivers our strategy development methodology. Via our Web System (PP9K) we keep our customers informed about their project(s) performance and knowledgebase. Project Schedules, Risk Management Plans, and Project Specifications are always available to project stakeholders.

As part of our process we will require that you help us establish a Project Board that in turn will support this project by providing guidance in the form of approval of schedule changes, establishing budgets, verification of policy / business rules and workflow models. Traditionally Project Board members include:

- North Dakota Tourism - Project Principal/Manager
- LBV Resource Representative SME (Subject Matter Expert)
- Project Sponsor Representative
- AdventGX Project Principal/Manager (Andrew Skadberg)

The following block diagram contains actual main activities for phase one and illustrates project milestone dates.



AdventGX Project Team (Tentative)

- Dr. Andrew Skadberg (Project Principal)
- Jose Quintana (Workshop Facilitator)
- Aristo Setiawan (Lead Developer - IT)
- Bill Smith (SME – Web Architect)
- Joan Tatge (Content Management & Delivery Specialist)
- TBD (Research Assistant)

Financial Proposal

This first phase will take approximately 45 calendar days to complete at a fixed cost of \$15,000.00. We require a \$10,000.00 payment before project onset. Remaining invoices will be submitted to North Dakota Dept. of Commerce, Tourism Division at the beginning of each month starting in month two under net 15 terms.

During our strategy design stage, we will work with you to match feature sets (remove or add strategic, tactical and functional components) in order to stay within your desired implementation timeline. At any rate, we will work with you to make sure that we comfortably achieve your expectations.

Professional Services –

Phase One: Due to the nature of your project we are extending our Non-profit/Government professional fees schedule to your community. As such, our development fees range depending on the amount of expertise of the team members assigned to your project:

- Strategy Architect 150.00 / hr
- SME (Subject Matter Expert)..... 125.00 / hr
- Analyst / Developer 95.00 / hr
- Tech Services (QA/QC, Graphics, Research) 75.00 / hr

At the end of this engagement you will receive our Strategy Implementation matrix with its corresponding implementation approach, proposed project blueprint and implementation timeline. These deliverables will be used during our formal development process. Your system will go live on May 15th 2005.

Travel –

Included (and expected) in phase one fixed cost. If the need for travel arises for extraordinary travel (outside of your community) we will submit an electronic travel request to your designated project manager and request proper authorization.

Technical Observations

- Project and workshop participants will have access to our Web based project management system, in many cases we will interact with stake holders electronically; AdventGX will issue project email accounts to those individuals that may not have suitable accounts. The customer is expected to provide actual access to computer equipment and communications infrastructure to project participants.
- The customer will provide access to a work area at North Dakota Tourism Division’s facilities when needed – suitable for meetings, workshops and research activities. We understand that access to historic records and regional education content will be made available by the North Dakota Tourism Division. Timely access will be essential to the successful implementation of this project.