

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number

SAP Number

Auditor-Controller/Treasurer/Tax Collector

Department Contract Representative	Bruce Cole
Telephone Number	(909) 387-2148
Contractor	Grant Street Group
Contractor Representative	John K. McCarthy
Telephone Number	(412) 391-5555
Contract Term	May 24, 2022, to June 30, 2032
Original Contract Amount	\$58,013,819
Amendment Amount	
Total Contract Amount	\$58,013,819
Cost Center	1165901042

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the San Bernardino County (County) desires to replace existing obsolete property tax related systems; and

WHEREAS, County conducted a competitive process to find a vendor to provide the subject replacement system,

WHEREAS, after an evaluation process County determined that the Grant Street Group, Inc. (Contractor) TaxSys software and infrastructure as a service solution met the best interests of the County; and

WHEREAS, County desires that the TaxSys software and infrastructure as a service solution be provided by Contractor and Contractor agrees to provide these Products and/or perform these Services as set forth below;

NOW, THEREFORE, the County and Contractor mutually agree to the following terms and conditions:

This Contract consists of these General Terms and the documents that are referenced and hereby incorporated as though fully set forth herein by a checked box below (Attachments), and attachments hereto:

- ☒ Attachment A – TaxSys Software and Services Terms and Conditions
 - Exhibit A-1 Statement of Work
 - Exhibit A-2 Online Confidentiality Agreement
- ☒ Attachment B – TaxSys Software Implementation and Software Subscription Fee Schedule
- ☒ Attachment C – CLOUD SERVICES TERMS
 - Exhibit C-1 Service Level Agreement

In the event of any inconsistency between this Contract and any forms, attachments, statements of works, or specifications which may be incorporated into this Contract, the following order of precedence shall apply:

- a) The terms and conditions in the body of the Contract;
- b) Change Orders;
- c) Attachments
- d) Exhibits;
- e) CONTRACTOR Response to the RFP, including the Best and Final Offer (BAFO); and
- f) COUNTY RFP.

A. DEFINITIONS

Unless elsewhere defined in this Contract, the following capitalized terms shall have the meaning ascribed herein:

- A.1** "Affiliates": collectively, municipalities, school districts, and other tax districts within County
- A.2** "ATC": San Bernardino County Auditor-Controller/Treasurer/Tax Collector Department
- A.3** "County": San Bernardino County
- A.4** "Contractor": the individual or entity identified as providing the Products and/or Services
- A.5** "Deliverables": means Contractor's work product resulting from the Services that are provided by Contractor to County during the course of Contractor's performance of the Contract, as described in Attachment A-1 ("Statement of Work").
- A.6** "DRM": County's Department of Risk Management
- A.7** "EFT": Electronic funds transfer.
- A.8** "Licensed Software" means the Software licensed to the County under the terms of this Contract, which will be made available by Contractor through the System for the purposes indicated herein.
- A.9** "P.O.": a purchase order specifying the types and quantity of Products, Services or Software ordered, the method of delivery, the delivery date required and the location to which Products or Software are to be shipped or the Services are to be provided.
- A.10** "Products": goods in the technology and consumer electronics category
- A.11** "Services": professional consulting, which may include implementation, design, customization, maintenance, help desk or other services necessary or desired by County as specified in the Contract and SOW.
- A.12** "Software": computer programs, procedures, rules, routines, or subroutines and any associated documentation pertaining to the operation of a computer system, including software designed to fill specific needs of a user; software that controls the execution of programs, and software that provides services such as resource allocation, scheduling, input/output control, and data management; application-independent software that supports the running of application software; software designed to facilitate the operation and maintenance of a computer system and its associated programs; and computer programs or routines designed to perform some general support function required by other application software, by the operating system, or by the system users, such as formatting electronic media, making copies of files, or deleting files.
- A.13** "SOW": a statement of work or work order that identifies Services provided by Contractor, including a detailed task list or specifications, the estimated period of performance, the fixed price or hourly rate to

be charged for the Services, together with any milestones, acceptance criteria and other information regarding the scope of work, as mutually agreed by the Parties.

- A.14** "System" means Contractor's Licensed Software, and the related systems and website through which Contractor provides access to such Licensed Software, to be used by County in connection with its billing, collection and administration of property taxes and related services.

B. GENERAL CONTRACT REQUIREMENTS

B.1 Recitals

The recitals set forth above are true and correct and incorporated herein by this reference.

B.2 Contract Amendments

Contractor agrees any alterations, variations, modifications, or waivers of the provisions of the Contract, shall be valid only when reduced to writing, executed and attached to the original Contract and approved by the person(s) authorized to do so on behalf of Contractor and County.

B.3 Contract Assignability

Without the prior written consent of the County, not to be unreasonably withheld, the Contract is not assignable by Contractor either in whole or in part. Notwithstanding the foregoing, Contractor may assign this Contract, in whole, as part of a corporate reorganization, consolidation, merger, or sale of all of its assets, provided that Contractor provides County with ten (10) days' prior written notice of such assignment, or if legally prohibited from providing prior notice, within 10 days after the effective date of the assignment, and County has the right to terminate this Contract, if such termination is required by applicable law.

B.4 RESERVED

B.5 Attorney's Fees and Costs

If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorney fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorney fees directly arising from a third-party legal action against a party hereto and payable under Indemnification and Insurance Requirements.

B.6 Background Checks for Contractor Personnel

Contractor shall ensure that its personnel (a) are authorized to work in the jurisdiction in which they are assigned to perform Services; (b) do not use legal or illegal substances in any manner which will impact their ability to provide Services to the County; and (c) are not otherwise disqualified from performing the Services under applicable law. If requested by the County and not in violation of applicable law, Contractor shall conduct a background check, at Contractor's sole expense, on all its personnel providing Services. If requested by the County, Contractor shall provide the results of the background check of each individual to the County. Such background check shall be in the form generally used by Contractor in its initial hiring of employees or contracting for contractors or, as applicable, during the employment-screening process but must, at a minimum, have been performed within the preceding 12-month period. Contractor personnel who do not meet the County's hiring criteria, in County's sole discretion, shall not be assigned to work on County property or Services, and County shall have the right, at its sole option, to refuse access to any Contractor personnel to any County facility.

B.7 Change of Address

Contractor shall notify the County in writing, of any change in mailing address within ten (10) business days of the change.

B.8 Choice of Law

This Contract shall be governed by and construed according to the laws of the State of California.

B.9 Compliance with County Policy

In performing the Services and while at any County facilities, Contractor personnel (including subcontractors) shall (a) conduct themselves in a businesslike manner; (b) comply with the policies, procedures, and rules of the County regarding health and safety, and personal, professional and ethical

conduct; (c) comply with the finance, accounting, banking, Internet, security, and/or other applicable standards, policies, practices, processes, procedures, and controls of the County; and (d) abide by all laws applicable to the County facilities and the provision of the Services, and all amendments and modifications to each of the documents listed in subsections (b), (c), and (d) (collectively, "County Policies"). County Policies, and additions or modifications thereto, shall be communicated in writing to Contractor or Contractor personnel or made available to Contractor or Contractor personnel by conspicuous posting at a County facility (only with respect to facility related policies), or by providing Contractor an electronic link to such Policy. Contractor shall be responsible for the promulgation and distribution of County Policies to Contractor personnel to the extent necessary and appropriate. County shall have the right to require Contractor's employees, agents, representatives and subcontractors to exhibit identification credentials issued by County in order to exercise any right of access under this Contract. In the event that a modification or addition of a County Policy results in a material increase in Contractor's costs of performance, upon notice from Contractor, the parties will meet and negotiate in good faith a fee modification to address such increase.

B.10 Confidentiality

Contractor shall protect from unauthorized use or disclosure names and other identifying information concerning an individual received pursuant to this Contract, except for statistical information not identifying any individual. Contractor shall not use or disclose any identifying information for any other purpose other than carrying out the Contractor's obligations under this Contract, except as may be otherwise required by law. This provision will remain in force even after the termination of the Contract.

B.11 Primary Point of Contact

Contractor will designate an individual to serve as the primary point of contact for the Contract. Contractor or designee must respond to County inquiries within two (2) business days. Contractor shall not change the primary contact without written acknowledgement to the County. Contractor will also designate a back-up point of contact in the event the primary contact is not available.

B.12 RESERVED

B.13 County Representative

The Auditor-Controller/Treasurer/Tax Collector or his/her designee shall represent the County in all matters pertaining to the Services to be rendered under this Contract, including termination and assignment of this Contract, and shall be the final authority for the County in all matters pertaining to the Services/Scope of Work by Contractor. If this Contract was initially approved by the San Bernardino County Board of Supervisors, then the Board of Supervisors must approve all amendments to this Contract.

B.14 Damage to County Property

Contractor shall repair, or cause to be repaired, at its own cost, all damages to County vehicles, facilities, buildings or grounds caused by the willful or negligent acts of Contractor or its employees or agents. Such repairs shall be made promptly after Contractor becomes aware of such damage, but in no event later than thirty (30) days after the occurrence. If the Contractor fails to make timely repairs, the County may make any necessary repairs. The Contractor, as determined by the County, shall repay all reasonable costs incurred by the County for such repairs, by cash payment upon demand, or County may deduct such costs from any amounts due to the Contractor from the County, as determined at the County's sole discretion.

B.15 Debarment and Suspension

Contractor certifies that neither it nor its principals or subcontractors is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. (See the following United States General Services Administration's System for Award Management website <https://www.sam.gov>). Contractor further certifies that if it or any of its subcontractors are business entities that must be registered with the California Secretary of State, they are registered and in good standing with the Secretary of State.

B.16 Drug and Alcohol-Free Workplace

In recognition of individual rights to work in a safe, healthful and productive workplace, as a material condition of this Contract, the Contractor agrees that the Contractor and the Contractor's employees, while performing service for the County, on County property, or while using County equipment:

B.16.1 Shall not be in any way impaired because of being under the influence of alcohol or an illegal or controlled substance.

B.16.2 Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal or controlled substance.

B.16.3 Shall not sell, offer, or provide alcohol or an illegal or controlled substance to another person, except where Contractor or Contractor's employee who, as part of the performance of normal job duties and responsibilities, prescribes or administers medically prescribed drugs.

The Contractor shall inform all employees that are performing service for the County-on-County property, or using County equipment, of the County's objective of a safe, healthful and productive workplace and the prohibition of drug or alcohol use or impairment from same while performing such service for the County. The County may terminate for default or breach of this Contract and any other contract the Contractor has with the County, if the Contractor or Contractor's employees are determined by the County not to be in compliance with above.

B.17 Duration of Terms

This Contract, and all of its terms and conditions, shall be binding upon and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of the respective parties, provided no such assignment is in violation of the provisions of this Contract.

B.18 Employment Discrimination

During the term of the Contract, Contractor shall not discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, sexual orientation, age, or military and veteran status. Contractor shall comply with Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, 13672, Title VI and Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act and other applicable Federal, State and County laws and regulations and policies relating to equal employment and contracting opportunities, including laws and regulations hereafter enacted.

B.19 Environmental Requirements

In accordance with County Policy 11-08, the County prefers to acquire and use products with higher levels of post-consumer recycled content. Environmentally preferable goods and materials must perform satisfactorily and be available at a reasonable price. The County requires Contractor to use recycled paper for any printed or photocopied material created as a result of this Contract. Contractor is also required to use both sides of paper sheets for reports submitted to the County whenever practicable. To assist the county in meeting the reporting requirements of the California Integrated Waste Management Act of 1989 (AB 939), Contractor must be able to annually report the County's environmentally preferable purchases. Contractor must also be able to report on environmentally preferable goods and materials used in the provision of their service to the County, utilizing a County approved form.

B.20 Improper Influence

Contractor shall make all reasonable efforts to ensure that no County officer or employee, whose position in the County enables him/her to influence any award of the Contract or any competing offer, shall have any direct or indirect financial interest resulting from the award of the Contract or shall have any relationship to the Contractor or officer or employee of the Contractor.

B.21 Improper Consideration

Contractor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Contract. The County, by written notice, may immediately terminate this Contract if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the County with respect to the proposal and award process. This prohibition shall apply to any

amendment, extension or evaluation process once a contract has been awarded. Contractor shall immediately report any attempt by a County officer, employee, or agent to solicit (either directly or through an intermediary) improper consideration from Contractor. The report shall be made to the supervisor or manager charged with supervision of the employee or the County Administrative Office. In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.

B.22 Informal Dispute Resolution

The parties will attempt in good faith to resolve any dispute or controversy arising out of or relating to the performance or receipt of services under this Contract, including those related to non-payment or disputed invoices ("Disputes") in accordance with the following escalation process. Upon written notice by a party to the other party of a Dispute ("Dispute Notice"), such Dispute shall first be referred to the party's respective project leads. If they are unable to resolve the Dispute within twenty (20) days of the Dispute Notice, the Dispute will be escalated to a senior executive for each party. If the parties are still unable to resolve the dispute within twenty (20) additional days, then either party may pursue any remedy available under applicable law.

B.23 Legality and Severability

The parties shall comply with all laws, rules, regulations, court orders and governmental agency orders applicable to their obligations herein. The provisions of this Contract are specifically made severable. If a provision of the Contract is terminated or held to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall remain in full effect.

B.24 Licenses, Permits and/or Certifications

Contractor shall ensure that it has all necessary licenses, permits and/or certifications required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations. The Contractor shall maintain these licenses, permits and/or certifications in effect for the duration of this Contract. Contractor will notify County immediately of loss or suspension of any such licenses, permits and/or certifications. Failure to maintain a required license, permit and/or certification may result in immediate termination of this Contract.

B.25 Material Misstatement/Misrepresentation

If during the course of the administration of this Contract, the County discovers that Contractor has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the County, the County may seek termination of this Contract pursuant to the termination provisions herein; provided that if the material misstatement or misrepresentation is concerning Section B.15, B.42, or B.44 or is part of a required certification or representation hereunder that would subject the County to violation of applicable law, the County may immediately terminate this Contract upon written notice.

B.26 Mutual Covenants

The parties to this Contract mutually covenant to perform all of their obligations hereunder, to exercise all discretion and rights granted hereunder, and to give all consents in a reasonable manner consistent with the standards of "good faith" and "fair dealing".

B.27 Nondisclosure

Contractor shall hold as confidential and use reasonable care to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, confidential information that is either: (1) provided by the County to Contractor or an agent of Contractor or otherwise made available to Contractor or Contractor's agent in connection with this Contract; or, (2) acquired, obtained, or learned by Contractor or an agent of Contractor in the performance of this Contract. For purposes of this provision, confidential information means any data, files, software, information, or materials in oral, electronic, tangible, or intangible form and however stored, compiled or memorialize and includes, but is not limited to, technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data.

B.28 Notice of Delays

Except as otherwise provided herein, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this contract, that party shall, within twenty-four (24) hours or as soon as practicable, give notice thereof, including all relevant information with respect thereto, to the other party.

B.29 Ownership and Use

As set forth in Attachment A, Contractor shall own all rights, title and interest in and to the System and the related System source code including copyright, trade secret, patent, trademark and other proprietary rights as well as all customizations, enhancements, modifications, improvements, derivations or other variations thereof ("IP Rights"). The Contract does not transfer to County under any circumstances any of Contractor's IP Rights in the System or the System source code. Additionally, Contractor shall own all IP Rights in information, materials, output and reporting related to the System, subject to the County's rights in its own data and information processed by the System. County shall have a royalty-free, non-exclusive and irrevocable license to publish, disclose, copy, translate, and otherwise use all reports, studies, data, statistics, forms, plans, procedures, and any other materials or properties created by or on behalf of the County in connection with its use of the System, including without limiting copies of all educational and training materials, curricula, audio/visual aids, and printed material ("County Materials"). County reserves the right to authorize others to use or reproduce such County Materials.

B.30 RESERVED**B.31 Air, Water Pollution Control, Safety and Health**

Contractor shall comply with all air pollution control, water pollution, safety and health ordinances and statutes, which apply to the work performed pursuant to this Contract.

B.32 Records

Contractor shall maintain all records and books pertaining to the delivery of services under this Contract and demonstrate accountability for contract performance. All records shall be complete and current and comply with all Contract requirements. Failure to maintain acceptable records shall be considered grounds for withholding of payments for invoices submitted and/or termination of the Contract. All records relating to the Contractor's personnel, consultants, subcontractors, Services/Scope of Work and expenses pertaining to this Contract shall be kept in a generally acceptable accounting format. Records should include primary source documents. Fiscal records shall be kept in accordance with Generally Accepted Accounting Principles and must account for all funds, tangible assets, revenue and expenditures. Fiscal records must comply with the appropriate Office of Management and Budget (OMB) Circulars, which state the administrative requirements, cost principles and other standards for accountancy.

B.33 Relationship of the Parties

Nothing contained in this Contract shall be construed as creating a joint venture, partnership, or employment arrangement between the Parties hereto, nor shall either Party have the right, power or authority to create an obligation or duty, expressed or implied, on behalf of the other Party hereto.

B.34 Release of Information

No news releases, advertisements, public announcements, or photographs arising out of the Contract or Contractor's relationship with County may be made or used without prior written approval of the County.

B.35 Representation of the County

In the performance of this Contract, Contractor, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of San Bernardino County.

B.36 Waiver

Failure by a party to insist upon the strict performance of any of the provisions of this Contract by the other party, or the failure by a party to exercise its rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Contract thereafter.

B.37 Subcontracting

Contractor shall obtain County's written consent, which County may withhold in its sole discretion, before entering into Contracts with or otherwise engaging any subcontractors who may supply any part of the Services to County. At County's request, Contractor shall provide information regarding the subcontractor's qualifications and a listing of a subcontractor's key personnel including, if requested by the County, resumes of proposed subcontractor personnel. Contractor shall remain directly responsible to County for its subcontractors' actions or omissions. All approved subcontractors shall be subject to

the provisions of this Contract applicable to Contractor Personnel. For any subcontractor, Contractor shall:

B.37.1 Be responsible for subcontractor compliance with the Contract and the subcontract terms and conditions; and

B.37.2 Ensure that the subcontractor follows County's reporting formats and procedures as specified by County.

B.37.3 Include in the subcontractor's subcontract substantially similar terms as are provided in Sections B. General Contract Requirements and Section E. Insurance and Indemnification.

Upon expiration or termination of this Contract for any reason, County will have the right to enter into direct contracts with any of the subcontractors. Contractor agrees that its arrangements with subcontractors will not prohibit or restrict such subcontractors from entering into direct contracts with County.

B.38 Subpoena

In the event that a subpoena or other legal process commenced by a third party in any way concerning the Goods or Services provided under this Contract is served upon Contractor or County, such party agrees to notify the other party, to the extent not prohibited by law, in the most expeditious fashion possible following receipt of such subpoena or other legal process. Contractor and County further agree to cooperate with the other party in any lawful effort by such other party to contest the legal validity of such subpoena or other legal process commenced by a third party as may be reasonably required and at the expense of the party to whom the legal process is directed, except as otherwise provided herein in connection with defense obligations by Contractor for County.

B.39 Termination for Non-Appropriation of Funds

The County reserves the right to terminate the Contract with a thirty (30) day written notice of termination if County does not appropriate or otherwise receive funds sufficient to continue payments set forth in this Contract; provided, however, that the County will make best efforts to provide as much notice as possible to Contractor upon learning that funding for this Contract may not be appropriated. Upon such termination, payment will be made to the Contractor for services rendered and expenses reasonably incurred prior to the effective date of termination. Upon receipt of termination notice Contractor shall promptly discontinue services unless the notice directs otherwise. Contractor shall deliver promptly to County sufficient evidence of all completed work, and work in progress, through the date of termination hereunder, including with respect to County Materials.

B.40 Time of Performance

The parties agree that meeting deadlines for this project is critical. Contractor shall make commercially reasonable efforts to meet all performance timelines in this Contract, subject to the County performing its obligations and providing reasonable cooperation with respect to such performance.

B.41 Venue

The parties acknowledge and agree that this Contract was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue of any action or claim brought by any party to this Contract will be the Superior Court of California, San Bernardino County, San Bernardino District. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Contract is brought by any third party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino County, San Bernardino District.

B.42 Conflict of Interest

Contractor shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, employees, or subcontractors and the County. Contractor shall make a reasonable effort to prevent employees, Contractor, or members of governing bodies from using their positions for purposes that are, or give the appearance of being motivated by a desire for private gain for themselves or others such as those with whom they have family business, or other ties. Officers, employees, and agents of cities, counties, districts, and other local agencies are subject to applicable conflict of interest codes and state law. In the event the County determines a conflict-of-interest situation exists, any increase in costs, associated with the conflict-of-interest situation, may be disallowed by the County and such conflict may

constitute grounds for termination of the Contract. This provision shall not be construed to prohibit employment of persons with whom Contractor's officers, employees, or agents have family, business, or other ties so long as the employment of such persons does not result in increased costs over those associated with the employment of any other equally qualified applicant.

B.43 Former County Administrative Officials

Contractor agrees to provide or has already provided information on former San Bernardino County administrative officials (as defined below) who are employed by or represent Contractor. The information provided includes a list of former County administrative officials who terminated County employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of Contractor. For purposes of this provision, "County administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Executive Officer or member of such officer's staff, County department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

B.44 Disclosure of Criminal and Civil Procedures

The County reserves the right to request the information described herein from the Contractor. Failure to provide the information may result in a termination of the Contract. The County also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The Contractor also may be requested to provide information to clarify initial responses. Contractor is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the Contractor will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail. In addition, the Contractor is required to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Contractor will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail. For purposes of this provision "key employees" includes any individuals providing direct service to the County. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

B.45 Government Purpose Rights

County will have Government Purpose Rights to the Deliverables. The ideas, concepts, know-how, or techniques relating to data processing, developed during the course of this by Contractor or jointly by Contractor and County may be used by either party without obligation or notice or accounting. Contractor grants to County the unlimited, irrevocable, worldwide, perpetual, royalty-free, non-exclusive rights and licenses to use, modify, reproduce, perform, release, display, create derivative works from, and disclose the Deliverables; the right to release or disclose the Deliverables outside County for any government purpose; and to authorize recipients to use, modify, reproduce, perform, release, display, create derivative works from, and disclose the Deliverables for any County government purpose. Such recipients of the Deliverables may include, without limitation, County contractors, California state government, other California local governments, the U.S. federal government, and the State and local governments of other states. "Government Purpose Rights" do not include any rights to use, modify, reproduce, perform, release, display, create derivative works from, or disclose the Deliverables for any commercial purpose.

B.46 RESERVED

B.47 Iran Contracting Act

IRAN CONTRACTING ACT OF 2010, Public Contract Code sections 2200 et seq. (Applicable for all Contracts of one million dollars (\$1,000,000) or more). In accordance with Public Contract Code section 2204(a), the Contractor certifies that at the time the Contract is signed, the Contractor signing the Contract

is not identified on a list created pursuant to subdivision (b) of Public Contract Code section 2203 as a person (as defined in Public Contract Code section 2202(e)) engaging in investment activities in Iran described in subdivision (a) of Public Contract Code section 2202.5, or as a person described in subdivision (b) of Public Contract Code section 2202.5, as applicable. Contractors are cautioned that making a false certification may subject the Contractor to civil penalties, termination of existing contract, and ineligibility to bid on a contract for a period of three (3) years in accordance with Public Contract Code section 2205.

B.48 RESERVED

B.49 RESERVED

B.50 California Consumer Privacy Act

To the extent applicable, if Contractor is a business that collects the personal information of a consumer(s) in performing Services pursuant to this Contract, Contractor must comply with the provisions of the California Consumer Privacy Act (CCPA). (Cal. Civil Code §§1798.100, et seq.). For purposes of this provision, “business,” “consumer,” and “personal information” shall have the same meanings as set forth at Civil Code section 1798.140. Contractor must contact the County immediately upon receipt of any request by a consumer submitted pursuant to the CCPA that requires any action on the part of the County, including but not limited to, providing a list of disclosures or deleting personal information. Contractor must not sell, market or otherwise disclose personal information of a consumer provided by the County unless specifically authorized pursuant to terms of this Contract. Contractor must immediately provide to the County any notice provided by a consumer to Contractor pursuant to Civil Code section 1798.150(b) alleging a violation of the CCPA, that involves personal information received or maintained pursuant to this Contract. Contractor must immediately notify the County if it receives a notice of violation from the California Attorney General pursuant to Civil Code section 1798.155(b).

C. TERM OF CONTRACT

This Contract shall commence on May 24, 2022, and expires June 30, 2032, but may be terminated earlier in accordance with provisions of this Contract.

D. FISCAL PROVISIONS

- D.1** The maximum amount of payment to Contractor under this Contract, shall not exceed \$58,013,819, and shall be subject to availability of other funds to the County. The consideration to be paid to Contractor, as described in Attachment B, “Implementation and Software Subscription Fee Schedule”, shall be in full payment for all Contractor’s services and expenses incurred in the performance hereof, including travel and per diem.
- D.2** Contractor shall provide County itemized invoices, in a format acceptable to the County, based on amounts due as described in Attachment B for Product received and Services performed under this Contract within twenty (20) days of the end of the previous month in which a payment milestone is earned. The County shall make payment to Contractor of all undisputed amounts and shall provide Contractor with written notice of any disputed amounts (including reasonable detail regarding such dispute) within thirty (30) days after receipt of invoice. Any good faith disputes hereunder shall be subject to the dispute resolution provision in Section B.22 hereof. Any amount payable to Contractor pursuant to this Contract that is not paid thirty (30) days after due, and not otherwise reasonably disputed by County in writing, shall bear interest until paid at a rate equal to one (1%) percent per month.
- D.3** Contractor shall accept all payments from County via electronic funds transfer (EFT) directly deposited into the Contractor’s designated checking or other bank account. Contractor shall promptly comply with directions and accurately complete forms provided by County required to process EFT payments.
- D.4** County is exempt from Federal excise taxes and no payment shall be made for any personal property taxes levied on Contractor or on any taxes levied on employee wages. The County shall only pay for any State or local sales or use taxes on the services rendered or equipment and/or parts supplied to the

County pursuant to the Contract.

D.5 RESERVED

D.6 RESERVED

- D.7** Contractor shall adhere to the County's Travel Management Policy (8-02 and 08-02SP1) when travel is pursuant to this Contract and for which reimbursement is sought from the County. In addition, Contractor is encouraged to utilize local transportation services, including but not limited to, the Ontario International Airport.

E. INDEMNIFICATION AND INSURANCE REQUIREMENTS

E.1 Indemnification

Contractor will indemnify, defend, and hold harmless County and its officers, employees, agents and volunteers, from any and all third-party claims, costs (including without limitation reasonable attorneys' fees), and losses for infringement of any United States patent, copyright, trademark or trade secret (Intellectual Property Rights) by any goods or services. The obligation shall not be applicable to the extent that an infringement claim is based upon (i) the County's alteration or modification of the System provided by Contractor; (ii) the County's use of the System in a manner not intended by, or previously approved by Contractor, including combining the System with items not furnished by Contractor; or (iii) the County's failure to use corrections or enhancements made available by Contractor. If a credible claim is made or threatened, including without limitation the filing of a lawsuit against County, or County receives a demand or notice claiming actual or potential infringement or misappropriation of any Intellectual Property Rights, County will use reasonable efforts to notify Contractor promptly of such lawsuit, claim or election. However, County's failure to provide or delay in providing such notice will relieve Contractor of its obligations only if and to the extent that such delay or failure materially prejudices Consultant's ability to defend such lawsuit or claim. County will give Contractor sole control of the defense (with counsel reasonably acceptable to County) and settlement of such claim; provided that Contractor may not settle the claim or suit absent the written consent of County unless such settlement (a) includes a release of all claims pending against County, (b) contains no admission of liability or wrongdoing by County, and (c) imposes no obligations upon County other than an obligation to stop using the goods or services that are the subject of the claim. In the event that Contractor fails to or elects not to defend County against any claim for which County is entitled to indemnity by Contractor, then Contractor shall reimburse County for all reasonable attorneys' fees and expenses within thirty (30) days from date of invoice or debit memo from County. After thirty (30) days, County will be entitled to deduct any unpaid invoice or debit memo amount from any amounts owed by County to Contractor. This shall not apply to any judgment or settlement amount, which amounts County shall be entitled to notify, invoice or debit Contractor's account at any time; and County, at its sole discretion, may settle the claim or suit.

If, in Contractor's opinion, any goods or services become, or are likely to become, the subject of a claim of infringement of Intellectual Property Rights, Contractor may, at its option: (i) procure for County the right to continue using the goods or receiving the services; (ii) replace or modify the goods or services to be non-infringing, without incurring a material diminution in performance or function; or (iii) if neither of the foregoing is feasible, in the reasonable judgment of Contractor, County shall cease use of the goods or services upon written notice from Contractor, and Contractor shall provide County with a pro-rata refund of the unearned fees paid by County to Contractor for such goods or services.

Contractor shall defend and indemnify County for third party claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Contractor and its subcontractors in the performance of this Contract.

E.2 Additional Insured

All policies, except for Worker's Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the County and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the County to vicarious liability but shall allow coverage for the County to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

E.3 Waiver of Subrogation Rights

The Contractor shall require the carriers of required coverages to waive all rights of subrogation against the County, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit the Contractor and Contractor's employees or agents from waiving the right of subrogation prior to a loss or claim. The Contractor hereby waives all rights of subrogation against the County.

E.4 Policies Primary and Non-Contributory

All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the County.

E.5 Severability of Interests

The Contractor agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross-liability exclusions that preclude coverage for suits between the Contractor and the County or between the County and any other insured or additional insured under the policy.

E.6 Proof of Coverage

The Contractor shall furnish Certificates of Insurance to the County Department administering the Contract evidencing the insurance coverage at the time the Contract is executed, additional endorsements, as required shall be provided prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within fifteen (15) days of the commencement of this contract, the Contractor shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

E.7 Acceptability of Insurance Carrier

Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A- VII".

E.8 Deductibles and Self-Insured Retention

Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.

E.9 Failure to Procure Coverage

In the event that any policy of insurance required under this contract does not comply with the requirements, is not procured, or is canceled and not replaced, the County has the right but not the obligation or duty to cancel the contract or obtain insurance if it deems necessary and any premiums paid by the County will be promptly reimbursed by the Contractor or County payments to the Contractor will be reduced to pay for County purchased insurance.

E.10 Insurance Review

Insurance requirements are subject to periodic review by the County. The Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the County. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Director of Risk Management or designee is authorized, but not required, to change the County insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the County, inflation, or any other item reasonably related to the County's risk. Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Contract, as mutually agreed between the parties. Any failure, actual or alleged, on the part of the County to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the County.

E.11 Types and Limits

The Contractor agrees to provide insurance set forth in accordance with the requirements herein. If the Contractor uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, the Contractor agrees to amend, supplement or endorse the existing coverage to do so. Without in anyway affecting the indemnity herein provided and in addition thereto, the Contractor shall secure and maintain throughout the contract term the following types of insurance with limits as shown:

E.11.1 Workers' Compensation/Employer's Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits covering all persons including volunteers providing services on behalf of the Contractor and all risks to such persons under this contract. If Contractor has no employees, it may certify or warrant to the County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Director of Risk Management. With respect to Contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

E.11.2 Commercial/General Liability Insurance – The Contractor shall carry General Liability Insurance covering all operations performed by or on behalf of the Contractor providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000), per occurrence. The policy coverage shall include:

- a. Premises, operations, and mobile equipment.
- b. Products and completed operations.
- c. Broad form property damage (including completed operations).
- d. Explosion, collapse, and underground hazards.
- e. Personal injury.
- f. Contractual liability.
- g. \$2,000,000 general aggregate limit.

E.11.3 Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired, and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence. If the Contractor is transporting one or more non-employee passengers in performance of contract services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000) for bodily injury and property damage per occurrence. If the Contractor owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.

E.11.4 Cyber Liability Insurance - Cyber Liability Insurance with limits of no less than \$1,000,000 for each occurrence or event with an annual aggregate of \$2,000,000 covering privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. The policy shall protect the involved County entities and cover breach response cost as well as regulatory fines and penalties.

E.11.5 Umbrella Liability Insurance – An umbrella (over primary) or excess policy may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage, personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The coverage shall also apply to automobile liability.

F. RIGHT TO MONITOR AND AUDIT

F.1 To the extent consistent with applicable law and regulation, the Contractor shall allow the State and Federal government to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested and to monitor the performance of Contractor in the delivery of services provided under this Contract. Contractor shall give full cooperation, in any auditing or monitoring conducted. Contractor shall cooperate with the County in the implementation, monitoring, and evaluation

of this Contract and comply with any and all reporting requirements established by the County. The County shall have the right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have right to monitor the performance of Contractor in the delivery of services provided under this Contract. Any such audit or review will require reasonable prior written notice, be performed during regular business hours, and occur only once per calendar year absent cause. Contractor shall give full cooperation, in any auditing or monitoring conducted. Contractor shall cooperate with the County in the implementation, monitoring, and evaluation of this Contract and comply with any and all reporting requirements established by the County.

- F.2** All records pertaining to services delivered and all fiscal, statistical and management books and records shall be available for examination and audit by County representatives for a period of three years after final payment under this Contract or until all pending County, State and Federal audits are completed, whichever is later.

G. CORRECTION OF PERFORMANCE DEFICIENCIES

- G.1** Failure by Contractor to comply with any of material provisions, covenants, requirements or conditions of this Contract shall be a material breach of this Contract. County shall provide Contractor with written notice of a material breach.
- G.2** In the event that Contractor does not cure the breach within 15 days of its receipt of written notice, County may, at its sole discretion and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
- G.2.1** Withhold payment of fees in good faith relating to the applicable Services or System pending duration of the breach (subject to notice requirements herein and the dispute process in Section B.22); and/or
- G.2.2** Terminate this Contract immediately and be relieved of the payment of any consideration to Contractor except for Services or the System provided in accordance with the Contract as of the date of termination. In the event of such termination, the County may proceed with the work in any manner deemed proper by the County. The cost to the County shall be deducted from any sum due to the Contractor under this Contract and the balance, if any, shall be paid by the Contractor upon demand.

H. NOTICES

All written notices provided for in this Contract or which either party desires to give to the other shall be deemed fully given, when made in writing and either served personally, by electronic mail (email) using the designated email addresses below, or by facsimile, or deposited in the United States mail, postage prepaid, and addressed to the other party as follows:

*San Bernardino County
Auditor-Controller/Treasurer/Tax Collector
268 West Hospitality Lane
San Bernardino, CA 92415-0360
Attn: Ensen Mason, ATC
Tel: (909) 387-8322
Email: TaxSysNotices@sbccountyatc.gov*

*Grant Street Group
339 Sixth Avenue, Suite 1400
Pittsburgh, PA 15222
Attn: Daniel J. Veres, Executive Vice President
Tel: (412) 391-5555
Email: dan.veres@grantstreet.com*

Notices delivered by email shall request a receipt thereof confirmed by email or in writing by the recipient and followed by personal or mail delivery of such correspondence and any attachments as may be requested by the recipient, and the effective date of such notice shall be the date of receipt, provided such receipt has been confirmed by the recipient. All other notices shall be deemed communicated two (2) County working days from the time of mailing if mailed as provided in this paragraph.

I. ENTIRE AGREEMENT

This Contract, including all Exhibits and other attachments, which are attached hereto and incorporated by reference, and other documents incorporated herein, represents the final, complete and exclusive agreement between the parties hereto. Any prior agreement, promises, negotiations or representations relating to the

subject matter of this Contract not expressly set forth herein are of no force or effect. This Contract is executed without reliance upon any promise, warranty or representation by any party or any representative of any party other than those expressly contained herein. Each party has carefully read this Contract and signs the same of its own free will.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, San Bernardino County and the Contractor have each caused this Contract to be subscribed by its respective duly authorized officers, on its behalf.

SAN BERNARDINO COUNTY

►

Curt Hagman, Chairman, Board of Supervisors

Dated: _____

SIGNED AND CERTIFIED THAT A COPY OF THIS
DOCUMENT HAS BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

Lynna Monell
Clerk of the Board of Supervisors
of San Bernardino County

By _____

Deputy

GRANT STREET GROUP, INC.

(Print or type name of corporation, company, contractor, etc.)

By

►

(Authorized signature - sign in blue ink)

Name _____

(Print or type name of person signing contract)

Title _____

(Print or Type)

Dated: _____

Address _____

FOR COUNTY USE ONLY

Approved as to Legal Form

►

Bonnie Uphold, Deputy County Counsel

Date _____

Reviewed for Contract Compliance

►

Date _____

Reviewed/Approved by Department

►

Ensen Mason, Auditor-
Controller/Treasurer/Tax Collector

Date _____

Contract Number

SAP Number



ATTACHMENT A
TAXSYS SOFTWARE AND SERVICES TERMS AND CONDITIONS

These TaxSys Software and Services Terms and Conditions govern the provisions of professional consulting, implementation, maintenance, training and other services, and grants to County a limited license to use Contractor's TaxSys software ("TaxSys Application" or "TaxSys") and other proprietary software integrated with TaxSys and owned by Contractor. The TaxSys Application and integrated suite of collection software (the "System", as further defined in Exhibit A-1, Statement of Work) licensed and supported by Contractor pursuant to this Contract is designed to provide a system for the billing, collection, apportionment, and administration of property taxes and related services. The System consists of the TaxSys Application and the other System components set forth below in Sections 3 (d), (e), and in Exhibit A-1.

A. RESERVED

B. RESERVED

C. IMPLEMENTATION AND DELIVERY

Contractor will implement the System in accordance with Exhibit A-1, Statement of Work ("SOW"), as set forth therein.

D. SYSTEM SUPPORT

D.1 Contractor shall provide the following services under the Contract ("System Support" or "Support Services"): (i) access to Contractor customer service representatives qualified to promptly answer County questions transmitted via telephone, email or other electronic means; (ii) correction of System bugs or errors that materially and adversely impact System performance, pursuant to Exhibit C-1, Service Level Agreement; (iii) System hosting, maintenance and backup of the System application code and database files; (iv) modifications to the System as required to enable County to comply with changes in Federal, State or County legislation or regulations (as defined below); (v) assistance necessary to facilitate annual upload of property assessment files; (vi) training with respect to the System; (vii) System user help documentation; (viii) support for online escrow processing by escrow mortgage/tax paying agents; (ix) support for electronic billing of property tax notices, and (x) support for all modules within the System.

D.2 As part of System Support, Contractor will provide up to 1,000 hours in total over the term of the Contract towards modifications to the System as required to enable County to comply with legislative changes. This includes design, development, testing and implementation work. Contractor will evenly allocate costs for each legislative change evenly across Contractor's other TaxSys clients where the change is applicable. If at any point during the term of the Contract, the County's pro-rata share exceeds 1,000 hours, Contractor may charge the County a proportionate share of the work in excess of 1,000 hours that is evenly allocated across Contractor's other TaxSys clients where the change is applicable.

D.3 The following services are excluded from System Support ("Excluded Services"): (i) software programming services related to custom enhancements to TaxSys requested by County that are not

explicitly set forth in the SOW after "Delivery" of the System, which shall be deemed to occur when County begins using the System as the system of record for its routine tax billing, collection, and apportionment functions; (ii) development of new software, new applications or new interfaces to new or pre-existing software and applications after Delivery; (iii) support for any software or application not covered under the Contract; (iv) modifications to the System as necessary to enable County to comply with legislative changes requiring in excess of 1,000 hours of effort by Contractor during the term of the Contract if County declines to pay its pro-rata share of such excess; and (v) any other services requested by County that are not described in this Section D. County and Contractor shall negotiate in good faith fees and payment terms for any Excluded Services. Contractor's hourly rates for additional or Excluded Services are listed in Attachment B.

- D.4** System Support will be provided during the hours from 8 A.M. to 6 P.M. Pacific Time (PT), Monday through Friday, excluding nationally recognized holidays ("Business Hours"). Contractor shall respond in a prompt, commercially reasonable manner during Business Hours. Outside of Business Hours, qualified Contractor personnel will be reachable by cell phone to assist County in crisis situations.

E. COUNTY RESPONSIBILITIES

County's responsibilities include: (a) installing all required communication networks and related equipment and services necessary to support the System; (b) installing and maintaining all personal computers used to access the System; (c) explaining special System requirements to Contractor personnel well in advance of Delivery; (d) delivering, via electronic media, accurate copies of County data in the format required by Contractor (i.e. TaxSys Standard Format, as set forth in Exhibit A-1); (e) fully utilizing each of the features of the System described in the Statement of Work for the business purposes for which the features were designed; (f) providing Contractor reasonable advance notice of changes in County hardware and software and their configuration that may impact in any way the performance of the System or interfaces between the System and other applications or software in use by County; and (g) responding to Contractor's reasonable requests for information related to the services Contractor is providing pursuant to the Contract.

F. HARDWARE AND NETWORK REQUIREMENTS

County shall have or install a dedicated, primary Internet connection and communication network that includes a minimum available bandwidth of 10 megabits per second for System users from the main and branch offices to the Internet as well as a backup Internet connection of sufficient capacity (at least 3 megabits per second) to support anticipated use of the System when the primary connection is out of service. Both connections shall be operational no later than thirty (30) days prior to scheduled Delivery. County users of TaxSys need a suitable computer (< 4 years old) with a modern web browser (< 1 year old) installed. Any network proxies, virus scanners, or similar tools should be set to bypass or "trust" TaxSys for maximum performance.

G. TITLE

Contractor shall own all rights, title and interest in and to the System and the related System source code including copyright, trade secret, patent, trademark and other proprietary rights as well as all customizations, enhancements, modifications, improvements, derivations or other variations thereof. The Contract does not transfer to County under any circumstances any of Contractor's ownership rights in the System or the System source code.

H. LICENSE

Contractor grants County and its full-time, part-time or contract employees (including professional consultants having an executed non-disclosure agreement reasonably acceptable to Contractor), subject to the terms and conditions of the Contract, a limited, non-perpetual, non-transferable and non-exclusive license to access and use the System solely in conjunction with County's billing, collection, apportionment, and administration of property taxes and related services. This license immediately terminates upon any termination of the Contract. Contractor is supplying the System to County as a collection of hosted Software as a Service (SaaS) applications via the Internet.

I. CONFIDENTIALITY AND USE/COPYING RESTRICTIONS

- I.1** County acknowledges and understands that the System licensed under this Contract is owned by Contractor and constitutes a valuable trade secret belonging to Contractor. County also acknowledges and understands that Contractor is willing to provide County and its full-time, part-time or contract employees (including professional consultants having an executed non-disclosure agreement reasonably acceptable to Contractor) with certain proprietary business and technical information regarding its System pursuant to the Contract ("System Confidential/Proprietary Information" or "Confidential Information"). "System Confidential/Proprietary Information" includes without limitation: (i) all Contractor software; copies of System web pages, pop-ups, online help features, etc.; specifications related to site modifications or enhancements; site performance data, training and/or user manuals; and any other documentation relating to the System, and (ii) any other non-public information that is designated in writing as confidential and falls within a recognized exemption to the San Bernardino County Sunshine Ordinance, County Code of Ordinances Section 19.0101, California Government Code 54950, and California Public Records Act (Government Code Section 6250). Such System Confidential/Proprietary Information may be in hard copy, printed or electronic format. System Confidential/Proprietary Information does not include information which: (i) is or becomes generally available to the public other than as a result of a disclosure by County; or (ii) becomes available to County on a non-confidential basis from a source other than Contractor, provided that such source is not known by County, after making appropriate inquiry, to be bound by a confidentiality agreement with, or other obligation of secrecy to, Contractor or another party; or (iii) is required to be disclosed pursuant to any legal process or request from any governmental authority or body having jurisdiction over County, provided that, prior to any such disclosure, County shall provide reasonable notice to Contractor in order to enable Contractor to seek an appropriate protective order or injunctive relief.
- I.2** In the event of a request for the disclosure of System Confidential/Proprietary Information pursuant to California Government Code Sections 6250 et. seq., County shall immediately notify Contractor of such request in order to give Grant Street the opportunity to object to the disclosure of such information and/or seek protective order or injunctive relief from disclosure of its valuable trade secrets and Confidential/Proprietary information.
- I.3** County hereby agrees to: (i) hold the System and/or all System Confidential/Proprietary Information as Confidential Information and take such steps as are reasonably necessary to safeguard the System and/or System Confidential/Proprietary Information to the same extent that County safeguards other trade secrets and proprietary information related to its business; (ii) exercise reasonable care to prevent the disclosure of the System and/or System Confidential/Proprietary Information to any third party; (iii) restrict the use of the System and/or System Confidential/Proprietary Information by County solely for the billing, collection, apportionment, and administration of property taxes and related services; and (iv) limit the disclosure of the System and/or System Confidential/Proprietary Information within County's organization to employees whose duties justify the need to know it solely for the billing, collection and administration of certain taxes, and who are legally obligated to comply with the terms of this Contract. County's obligations as set out in this Section I survive any termination of the Contract.
- I.4** County further agrees that, absent Contractor's prior written consent, it will not directly or indirectly copy, save, modify, print, publish, or post on the Internet, or reveal, permit access to, disseminate, distribute, or disclose; to any third party, all or any part of the System and/or System Confidential/Proprietary Information.
- I.5** County further agrees not to sell, assign, lease, license, or in any manner encumber, pledge, convey, or transfer the System or any interest therein.
- I.6** County acknowledges that should it breach its obligations under this Section I, Contractor may suffer harm, which may not be adequately compensated by monetary damages. In such event, Contractor may, in addition to monetary damages, seek equitable relief to enjoin such breach.
- I.7** County acknowledges that all users of the System will be prompted when they first log into the System

to agree to the terms of an online confidentiality agreement, which is attached hereto as Exhibit A-2, Online Confidentiality Agreement.

J. COUNTY DATA CONFIDENTIALITY AND USE RESTRICTIONS

- J.1** All data and written and oral information not in the public domain and not previously known, which is obtained, developed, or supplied by the County or at its expense shall be kept confidential by Contractor and shall not be used or disclosed to any other party, directly or indirectly, without the County's prior written consent unless required by an order issued by a court or like authority of lawful jurisdiction. Contractor will maintain such County information for not less than seven (7) years.
- J.2** Nothing in this Section J shall be construed as granting to County any interest in any information, concepts, ideas or other materials Contractor creates or develops in the course of performing services hereunder that relate to the licensed System, or modifications or customizations thereto, all of which shall remain the property of Contractor.

K. LIMITED WARRANTIES

- K.1** Contractor warrants that the System: (i) will conform to Contractor supplied specifications and documentation; (ii) to the best of Contractor's knowledge, will be free of harmful code (i.e. computer viruses, worms, trap doors, time bombs, disabling code, or any similar malicious mechanism designed to interfere with the intended operation of, or cause damage to, computers, data, or Software); and (iii) not infringe or violate any U.S. intellectual property right (provided that the County's sole remedy for such infringement or violation is the indemnity provided under this Contract). Contractor also warrants that the System will meet County requirements documented and agreed to by Contractor prior to Delivery. Contractor does not warrant that the operation of the System will be uninterrupted or error free. County agrees that the System is of such technical complexity that defects (inherent, latent and/or manifest) may exist and that, as County's sole and exclusive remedy for breach of the warranties contained herein, Contractor shall correct documented errors which are caused by a defect in the System. For purposes of this Section, the term "defect" shall mean only material deviations from the specifications and documentation supplied by Contractor.
- K.2** RESERVED
- K.3** The limited warranties contained in this Section shall not apply if a claimed problem is caused by: (i) the malfunction of computer hardware or other software or applications not produced, developed, or provided by Contractor; (ii) County's negligence or fault; (iii) County providing improper data to be processed by the System; or (iv) a "force majeure" event, as described in Section 23. If Contractor discovers that a claimed problem is caused by one of the above, Contractor reserves the right to charge County for its investigative and remedial efforts.
- K.4** County warrants that the System and Maintenance and Support Services provided by Contractor pursuant to the Contract will be used exclusively for the purpose of assisting County in the administration, monitoring, assessment, collection, or apportionment of taxes.

L. NO IMPLIED WARRANTIES AND LIMITATION OF LIABILITY

EXCEPT FOR THE EXPRESS LIMITED WARRANTIES SET FORTH IN SECTION K OF THIS ATTACHMENT A, CONTRACTOR MAKES NO WARRANTY, REPRESENTATION, PROMISE OR GUARANTEE, EITHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, WITH RESPECT TO THE SYSTEM OR THE SUPPORT SERVICES PROVIDED HEREUNDER, INCLUDING THEIR QUALITY, PERFORMANCE, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW NEITHER PARTY SHALL BE LIABLE FOR INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF DATA OR PRIVACY, LOSS OF INCOME, LOSS OF OPPORTUNITY OR PROFITS, OR COSTS OF RECOVERY, HOWEVER CAUSED AND ON ANY THEORY OF

LIABILITY, REGARDLESS OF WHETHER A PARTY WAS APPRISED OF THE POTENTIAL FOR SUCH DAMAGES. EXCEPT FOR CLAIMS ARISING PURSUANT TO INTELLECTUAL PROPERTY INFRINGEMENT INDEMNIFICATION OBLIGATIONS, A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR A PARTY'S VIOLATION OF THE LAW APPLICABLE TO ITS OBLIGATIONS HEREUNDER, IN NO EVENT WILL A PARTY'S AGGREGATE LIABILITY FOR ANY DAMAGES HEREUNDER REGARDLESS OF THE LEGAL THEORY OR FORM OF ACTION, EXCEED \$5,000,000 THROUGH IMPLEMENTATION THEN THE ANNUAL SUBSCRIPTION FEE THEREAFTER.

M. TAXES

In the event any Internet commerce taxes are imposed on Contractor by State or local governmental authorities or entities that are either directly or indirectly associated with the online services supplied to County by Contractor, the parties will negotiate in good faith an increase in the Annual Fee to offset such taxes. In the event the parties are unable to negotiate an agreeable modification to the Annual Fee, either party may terminate this Contract with thirty (30) days' prior written notice.

N. DATABASE FILES

Contractor acknowledges that the County's data stored on Contractor's servers is the property of County and that County may export its data at any time using any format supported by the System such as Comma-Separated Values ("CSV"), Portable Document Format ("PDF") or certain spreadsheet applications. In addition, Contractor will provide County data to County within thirty (30) days of County's request.

O. FORCE MAJEURE

If either party is prevented, hindered or delayed from the performance of any act required hereunder by reason of contingencies beyond its reasonable control, including without limitation, strike, lock-out, or other labor or industrial disturbances, fire, accidents to equipment, acts of God, legal process, injunctions or compliance with laws, regulations, guidelines or orders of any governmental body or instrumentality thereof, failure of power or any other similar reason not directly the fault of such party, or by reason of the other party or its agents, then performance of such act (other than payment of any amount when due hereunder) shall be excused for the period of delay and the parties may mutually agree that the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Irrespective of any extension of time, if an event of Force Majeure occurs and its effect continues for a period of sixty (60) days, Customer may, in its sole discretion, terminate this Contract without any further obligation.

P. NON-EXCLUSIVITY

Contractor's services hereunder shall not be exclusive; provided, however, that no use by County of a third party to perform any services described herein shall modify the County's fee and payment obligations hereunder; and provided further that any request by County for Contractor to build and/or maintain an interface with any such third-party provider or system shall be subject to further agreement of the parties, including with respect to additional fees.

[END OF SOFTWARE LICENSE]

EXHIBIT A-1
STATEMENT OF WORK

Overview

Contractor will develop and implement the System in accordance with the specifications, pricing and completion times set forth in this SOW and Attachment B. Contractor will perform the Services in a professional and workmanlike manner in accordance with generally accepted industry standards. Contractor shall provide County with software and services to implement, maintain, and support TaxSys, a tax billing, apportionment, collection, and administration system for property taxes and related services (collectively the “System” or “TaxSys”) subject to the terms of the Contract between Contractor and County and as set forth in Contractor’s response to the Request for Proposal for Property Tax Legacy Systems Replacement RFP ACT121-ACTT-4250 requirements (the “RFP Requirements”). The County’s RFP, Contractor’s responses to the RFP and Best and Final Offer (“BAFO”) are hereby incorporated by reference as part of the Contract. RFP Requirements that have been mutually agreed upon by the parties to be modified are included as Schedule A.1.1 to this Exhibit A-1, Statement of Work (“SOW”).

Also, the following are included in this SOW:

- An initial project timeline and preliminary project schedule. This schedule will be reviewed and refined by the parties during the project’s initiation and planning phase.
- The scope of work that includes a list of application and data conversion project deliverables(“Deliverable”).
- The steps for preparing for the TaxSys go-live.
- The roles and responsibilities for both the County and Contractor project team members.
- A preliminary list of project milestones and associated Deliverables.

Timeline

The proposed System implementation timeframe begins with Project Kick-Off on or about July 1, 2022, with a go-live no later than July 31, 2025. The project will be completed in three main phases.

Month 1	Months 2 through 29	Months 30 through 36
Phase 1: Project Initiation and Planning	Phase 2: System Implementation	Phase 3, Implementation Conclusion and Delivery

Preliminary Project Schedule

Phase 1: Project Planning and Initiation
<i>Month 1</i>
<ul style="list-style-type: none">• Project kickoff• Data conversion survey and data extract• Train County business process owners and data specialists on project communication tools (Confluence/JIRA)• Application and data conversion project planning

<ul style="list-style-type: none"> Initial project planning complete
Phase 2: System Implementation
<i>Month 2-12</i>
<ul style="list-style-type: none"> Project management Business process and interface design definition Business process development and documentation Data conversion Business process development evaluation Implementation schedule revisions as required
<i>Month 13-29</i>
<ul style="list-style-type: none"> Project management Business process and interface design Business process development and documentation Integration and user acceptance test planning Training planning System maintenance support and transition plan Interface build and integration Data conversion
Phase 3: Implementation Conclusion and Delivery
<i>Month 30-36</i>
<ul style="list-style-type: none"> Business Process owner training Integration testing User acceptance testing Training for all end users Deployment and transition planning Final data conversion and verification Integration testing and user acceptance testing complete Go-live rehearsal/parallel testing Deployment and transition plan complete Readiness evaluations and reports Deployment of business processes (go-live) Implementation project closeout

Scope of Work

The Deliverables included in the TaxSys implementation project scope include:

- The Project Management Plans including:**
 - Scope Management Plan* - Describes how the product scope will be defined, developed, monitored, controlled, and verified.
 - Schedule Management Plan* - Establishes the criteria and the activities for developing, monitoring, and controlling the project schedule.
 - Communication and Relationship Plan* - Describes how communications will be planned, structured, monitored, and controlled.

- *Risk Management Plan* - Describes how risk management activities will be structured and performed.
- *Quality Control Management Plan* - Documents how the TaxSys application implementation is successfully and accurately implementing the product scope.
- *Requirements Traceability Plan* - Describes how the product enhancements are documented and cross-referenced to the user stories required to successfully complete the TaxSys application implementation.
- *Issue/Defect Management Plan* - The tools and techniques used to document, track, and resolve product and project issues and defects.
- **Business Processes**
 - Written, step-by-step instructions for County TaxSys users detailing workflows and operations performed by the ATC office.
 - For an initial list of these business processes see the table below.
- **Interface Design Specifications**
 - The Interface Design Specification (IDS) documents the design of the TaxSys interfaces that interact with other systems. The IDS includes the interface technology (files and APIs), the interface format and content, and interface frequency.
- **Data Conversion including:**
 - Administrative Data
 - Annual Property Tax Data
 - Supplemental and Escape Property Tax Data
 - Delinquent Property Tax Data
 - Apportionment Data
 - Transient Occupancy Tax Data
- **Integration Tests**
 - During the later iterations of the project, integration tests will be documented and executed. Multiple integration tests will be documented and executed during the project, each building upon the functionality and success of previous integration tests. The final comprehensive integration test plan will constitute the user acceptance testing plan.
- **TaxSys Training Plan**
 - The training plan consists of two (2) parts. The first part includes the training materials used to prepare County staff for the TaxSys testing and go live. The second part documents the attendee list, logistics, and schedule for delivery of the training.
- **TaxSys Support Plan**
 - The support plan details how Contractor will support the County post go-live and throughout the remainder of the Contract term.
- **Go-Live Plan**
 - The go-live plan documents activities undertaken specifically to prepare for and successfully execute the TaxSys go-Live.

Project Management

Contractor shall provide sufficient qualified personnel trained to perform Contractor's obligations hereunder. Contractor assigns full time project managers to both the TaxSys application implementation and the legacy-to-TaxSys data conversion projects.

The Contractor project managers for the application and data conversion projects assume primary responsibility for leading the completion of the following deliverables:

- Project Management Plans that include:
 - Scope Management Plan
 - Schedule Management Plan
 - Communication and Relationship Management Plan
 - Risk Management Plan
 - Quality Management Plan
 - Requirements Traceability Plan
 - Issue/Defect Management Plan
- Data Conversion
- Training Plans
- Integration and User Acceptance Test Plans
- Go Live Plans

In addition to leading delivery of the above project Deliverables, project management also assumes responsibility for:

- Monitoring and control of the development of the project's Deliverables.
- Reporting of project progress.
- Communication of project status.
- Risk management.

Business Processes

The TaxSys application implementation is organized into business processes ("BPs") for each functional area where each business process consists of user stories. Each business process is assigned a Contractor owner and a County owner. These business process owners take primary responsibility for developing a process that allows the County to perform their business functions, ensuring that TaxSys is adequately configured and customized to execute the process, producing documentation of the business process, performing unit and integration testing of the business process, and training end-users on the business process.

The configuration and customization of each business process occurs iteratively over a period of time but includes two key milestones: the initial BP version and the final BP version. The initial BP version is defined via a series of meetings, BP reviews, and demonstrations. The initial BP version is complete when the BPs user stories have been accurately documented and described, and the gaps or changes and enhancements required to successfully execute each user story have been documented. The final BP version confirms that each user story in the BP has been successfully implemented through a series of demonstrations where each user story is shown and successfully executed. The final BP version is complete when each user story has been successfully executed and a punch list of issues or enhancements have been documented and prioritized.

The County RFP includes detailed requirements. Included in the Project Management Plan is a Requirements Traceability Plan. At the start of the implementation Contractor will deliver the requirements mapping document that maps RFP Requirements to Business Processes and identifies areas where development is required to bridge the gap between what TaxSys currently offers and the County's needs. The RFP Requirements matrices that will be mapped to Business Processes include:

- Property Tax Business Requirements

- Tax Collector Business Requirements
- Technical Requirements

RFP Requirements that were mutually agreed to be modified are documented in Schedule A.1.1.

The initial set of Business Processes includes:

Business Process	Description
AB8	Covers the various AB8 steps needed to generate factors that will be used later for AB8 apportionment. This also includes the calculation of various expected fees and amounts for the year, such as PTAF and subventions.
Accounting	Includes the accounting interfaces for cashiering, refunds, cancel and corrections, and distribution and apportionment with the County's accounting system, SAP.
Administration and Securing	Outlines the responsibilities of the County system administrator with regard to TaxSys. This includes user, role, and permission management, communication channels within the County and with Contractor staff, and reviewing TaxSys promotion information.
Balancing & Year End Reporting	Covers procedures for balancing cashiering, accounting, and property tax activity throughout the year and at year end.
Bankruptcy	This business process covers the management of cases where taxpayers have filed for bankruptcy.
Business Intelligence Administration	Covers administration and use of the embedded data analytics tool, VisionPro, as well as direct data access to the TaxSys data warehouse.
CORTAC Processing	Covers using EscrowExpress for CORTAC payments from escrow companies and tax paying agents (TPAs).
Current Property Tax	Covers the life of an assessment from billing until tax default. Includes creating and sending bills (individually and in bulk), return address handling, tax clearance issuance, and government proration. Defines internal and state mandated reporting.
Distribution and Apportionment	Covers the distribution of teeter advances or collections of unitary, secured, unsecured, supplemental, direct charges, voter approved bonds, and other taxes and fees.
ERAF	Covers the management of allocations from the Educational Revenue Augmentation Fund (ERAF), including amounts for ERAF entitlements, negative ERAF, excess ERAF, and claims for any ERAF shortfalls.
High Speed Cashiering	This business process covers uploading high speed payment files into TaxSys and reconciling the amounts.

Image Cash Letter (ICL)	ICL provides the process for electronic deposit of physical checks. A picture of the front and back of the check along with the associated payment information is captured in a file and transmitted electronically to the bank for deposit.
Interactive Voice Response (IVR)	IVR is an automated business phone system feature that interacts with callers gathering information used to inquire about amount owed, payment status, and pay outstanding bills.
Lien Management and Collections	Covers the issuance, recording, cancellation, and release of liens, in addition to various actions required by collections agents.
Manual Corrections	This business process covers the changes that occur to the roll after it is certified to the ATC. This includes all corrections that need to be performed manually by Property Tax staff that could not otherwise be passed via interface files.
Over the Counter Cashiering	This business process covers the standard daily cashiering activities: opening a batch at the start of the day, checking out and editing transactions, and finally reconciling that batch at day's end.
Public Portal	Includes functionality for the public to make payments, manage accounts, and communicate with the County.
Redemptions	Covers the actions related to unpaid secured account types eligible for transfer to the redemption roll. Includes assessee notices and legal publications.
Refunds	Handles the research, review, approval and processing of refunds.
Roll Loading*	This business process covers the annual process of loading property tax data required to create a new tax year roll in TaxSys. <i>*Contractor will only support one file format for the TaxSys interface to the Assessor system. In the event the Assessor changes systems or requests substantial modifications to the TaxSys file format, Contractor will initiate Scope Management and Change Order procedures.</i>
Roll Maintenance*	This business process covers the changes that occur to the roll after it is certified to the ACT. This includes all corrections passed via interface files (including AAB corrections, Assessor corrections, name and address updates, etc), for which an updated bill will be sent to the taxpayer, as well as the actions related to performing the secured-to-unsecured and secured-to-redemption roll transfers. <i>*Contractor will only support one file format for the TaxSys interface to the Assessor System. In the event the Assessor changes systems or requests substantial modifications to the TaxSys file format, Contractor will initiate Scope Management and Change Order procedures.</i>
Redevelopment Property Tax Trust Fund / Increment Financing	Covers Increment Finance District maintenance, including RDA successor agencies.

Special Cashiering	Covers canceling transactions or bad payments, using pending refunds as tenders to transfer funds from one account to another, and managing Advance Deposits.
Special Taxes	This business process covers the actions necessary to manage Transient Occupancy accounts, mobile home tax clearance certificates, and racehorse tax. Activities include managing returns, setting return filing expectations and printing various forms and notices. This also includes actions to audit account returns, and various actions necessary for enforcement of accounts. This business process also covers managing TouristExpress accounts for taxpayers online.
Tax Sale	Covers preparation for and execution of the redemption tax sale. This includes interfacing with Contractor's DeedAuction application to host the tax sale.

All use cases defined in the ATC's RFP package map to TaxSys Business Processes as follows (note that ATC Use Case ICL Transmission to Bank is referenced twice).

TaxSys Business Process	ATC Use Cases
AB8	<ol style="list-style-type: none"> 1. Tax Equity Allocation AB8 2. Allocation Factors 3. Supplemental Allocation Factors 4. Receivables 5. Unitary GTL Receivables and Allocation Factors - TRA 001 6. Unitary GTL Receivables and Allocation Factors - TRA 002 7. Unitary GTL Receivables and Allocation Factors - TRA 003/511 8. Unitary GTL Receivables and Allocation Factors - TRA 095 9. Unitary Debt Service Receivables and Allocation Factors 10. Unitary General Tax Levy Distribution Calculation 11. Unitary Debt Service Distribution Calculation 12. SB2557 Property Tax Admin Fees Allocation Calculation 13. Supplemental Admin Fee Calculation 14. Homeowners' Property Tax Exemption Reimbursement Claim 15. Timber Yield Tax Calculation 16. Vehicle License Fee Growth Calculation 17. RDA ATE Percent of Share 18. RDA Share of GTL and DS Calculation
Accounting	<ol style="list-style-type: none"> 19. Balancing and Reconciliation 20. Accounting 21. Reconciliation Between Tax System and Financial System

Administration and securing	
Balancing & Year End Reporting	22. Year-End Apportionment Reconciliation 23. Teeter Reconciliation 24. Fund Balance Reconciliation 25. Fee Study Query and Update Process 26. Year End 27. Supplemental Admin Fee Reconciliation
Bankruptcy	28. Process Bankruptcy Notification 29. Process Bankruptcy Payments
Image Cash Letter (ICL)	30. ICL Transmission to Bank
CORTAC Processing	31. CORTAC Enrollment of New Agency 32. CORTAC Beginning of Year Bill Request Process 33. CORTAC Wire Payment Processing
Current Property Tax	34. Roll and Tax Charge Acceptance 35. Bill Preparation 36. Bill Generation 37. Bill Segregation 38. Separate Valuation 39. Fee and Penalty Waivers 40. Property Tax Postponement
Distribution and Apportionment	41. Apportionment
	42. Homeowners' Property Tax Exemption Reimbursement Apportionment Calculation
	43. State Fish and Wildlife Calculation
	44. Highway Property Rental Calculation
	45. Racehorse Tax Calculation
ERAF	46. Excess ERAF Calculation
	47. ERAF Reimbursement Claim
	48. Tax Shift
Lien Management and Collections	49. Process Lien Recording
	50. Process Lien Renewal
	51. Process Lien Release
	52. Tax Intercept
	53. Process Unsecured Personal Property Seizure
	54. Bank Account Seizure (Unsecured) UTT
	55. Enforcement and Collections Tax Collection
High Speed Cashiering	56. Mail Payment Batch Processing 57. Electronic On-Line Banking Payments (EBOX) 58. Mail Payment Batch Reversal
Interactive Voice Response (IVR)	59. IVR Payment Processing

Over the Counter Cashiering	60. Daily Cashiering Preparation 61. Cashiering Payment Processing 62. Standard Wire Payment Processing 63. Partial Payments 64. Payment Posting 65. ICL Transmission to Bank 66. Cashier Balancing and Reconciliation
Public Site	67. Public Portal Online Payment 68. Public Portal/Online Bulk Payment
Redemptions	69. Payment Plan Enrollment 70. Payment Plan Maintenance 71. Secured Redemption 72. Statement of Defaulted Taxes Notification 73. Record Power to Sell Notice 74. Publish September Publication 75. Publish Legal Advertising
Refunds	76. Refunds (PT) 77. Stale-Dated Refund Warrants 78. Unclaimed Refunds 79. Refunds (TC) 80. Warrant Management 81. TOT Refunds
Roll Loading	82. New Roll Year Preparation 83. LAFCO Filing Request 84. TRA/Jurisdictional Changes 85. Receiving and Balancing Rolls 86. New Direct Charges 87. Direct Charge Annual Process 88. Unsecured Tax Charge Extension 89. Secured Tax Charge Extension 90. Supplemental Tax Charge Extension 91. Revenue Shifts 92. Ad Valorem Debt Service Tax Rates Calculation 93. Unitary Debt Service Tax Rate Calculation
Roll Maintenance	94. Roll Changes (General Corrections) 95. Calamities and Disaster Relief 96. Separate Valuation 97. Public Acquisitions (Cancellation of Taxes) 98. Cancellation of Direct Charges 99. Roll Corrections and Escape Bills 100. Unsecured Billed Secured, and Defaulted to Unsecured 101. Name and Address Changes

Redevelopment Property Tax Trust Fund / Increment Financing	102. Redevelopment Property Tax Trust Fund Pass-through Calculation 103. Redevelopment Property Tax Trust Fund Recognized Obligation Payment Schedule Calculation 104. Redevelopment Property Tax Trust Fund Prior Period Adjustments 105. Redevelopment Property Tax Trust Fund Residual Calculation 106. Redevelopment Property Tax Trust Fund Asset Liquidation Calculation 107. Redevelopment Property Tax Trust Fund Estimates - Revenue Projection 108. Redevelopment Property Tax Trust Fund Estimates - Admin Costs Projection 109. Redevelopment Property Tax Trust Fund Estimates - Pass-through Projection 110. Redevelopment Property Tax Trust Fund Estimates - Recognized Obligation Payment Schedule 111. Redevelopment Property Tax Trust Fund Estimates Report 112. New Enhanced Infrastructure Financing District 113. Enhanced Infrastructure Financing District Calculation 114. Redevelopment Property Tax Trust Fund Admin Costs Calculation 115. Redevelopment Property Tax Trust Fund DOF Report
Special Cashiering	116. Credit Card Charge Back 117. Payment Reversals Due to Returned Payments 118. Payment Transfer 119. Error Listings and Resolution
Special Taxes	120. Mobile Homes Tax Clearance Certificates 121. Transient Occupancy Registration Certificate 122. TOT Returns and Payments 123. TOT Late/Missed Returns and Payments 124. Racehorse Tax

Tax Sale	125. Tax Sale Excess Proceeds Distribution Calculation 126. Manage Tax Sale List 127. Tax Sale Preparation 128. Create a Tax Sale Event 129. Process Impending Power to Sell 130. Tax Sale Event 131. Manage Winning Bid 132. Process and Distribute Excess Proceeds 133. Unclaimed Excess Proceeds and Transfer to Property Tax Division 134. Tax Deed 135. Process Discharge of Accountability and Conclusively Presumed Paid
Business Intelligence Administration	
Manual Corrections	

Data Conversion

At the beginning of the project, Contractor will work with ATC's IT team to automate a raw data extract from the County's existing system(s). That extract will be sent to Contractor's servers on a monthly basis. Contractor will also need a balancing report that consists of all accounts, their status (paid/unpaid) and the balance due.

Following this, the bulk of the Data Conversion effort involves iteratively loading data from the County's current system(s) into the TaxSys Standard Format (TSF), which can later be migrated into the TaxSys Production format. Contractor converts all property tax accounts for the most recent 12 roll years, all accounts paid within the last 12 years, regardless of when they went delinquent, all unpaid accounts, regardless of the year, and all related ownership history, regardless of the year. The most recent 5 years of Transient Occupancy Tax accounts and associated payments are also converted.

Contractor will convert the following data related to distributions / apportionments:

- AB8 factors, including factors for secured, unsecured, supplemental, and unitary bills for all years that had one or more bills converted based on the property tax data retention policy above.
- IFD frozen base amounts for all years in scope for conversion.
- Expected contribution amount / percentage for each IFD, per jurisdiction, for the current year as of go-live.
- Jurisdictions that receive teeter advances will be converted as fully teetered for historic years, so that their future collections will be retained by the county when apportionments are done in TaxSys (unless changes to the tax levy would dictate otherwise).
- Prior RPTTF asset liquidations, including the tax type code and associated general ledger account.
- Additionally, for the current active roll year as of go-live, we will convert all figures necessary for the next year's roll setup / AB8 process, including (but not limited to):
 - Gross tax levy by TRA and jurisdiction.
 - IFD base amounts.
 - Tax increment factors.
 - VLF contribution amount.

Contractor approaches the Data Conversion by looking at sections of data:

Category	Description
Administrative Data	This is the foundation of the historical data that will be loaded into TaxSys. It includes district information (including IFDs), tax rates, flags that will be used, tax rate area information, users that will eventually be logging in to TaxSys, and more.
Balancing Data	A County provided breakdown of all accounts, their status (paid/unpaid) and the balance due. This data is used to balance against the data loaded into TaxSys to confirm accuracy of balances and accounts.
Annual Property Tax Bills	Secured and unsecured annual bill data. This includes assessment information, addresses, notes, and everything the County needs to know about a bill outside of cashiering.
Supplemental Property Tax Bills	Secured and unsecured supplemental bill data. While this is mostly the same data collected for annual property tax bills, it will also include proration and critical data for ownership periods and history.
Escape Property Tax Bills	Secured and unsecured escape bill data. Like supplementals, this will be mostly the same data collected for annual property tax bills, but will include proration, payment plan dates, and escape specific assessed value penalties.
Delinquent Unsecured Property Tax Bills	Enforcement and lien data for delinquent unsecured bills.
Redemption Data	Data supporting power of sale, sale parties, and payment plan dates for delinquent secured bills.
Transient Occupancy Tax Data	All data relevant to transient occupancy tax. This includes accounts, addresses, returns, audits and everything you need to know outside of cashiering.
Apportionment Data	Contractor converts all the necessary data to be able to do apportionments in TaxSys going forward including AB-8 factors, IFD contribution percentages, gross and let levy totals by jurisdiction, TRA, etc.
Cashiering Data	Data related to the movement of money as it relates to the above areas. This includes, but is not limited to, payments, cancellations, refunds, tenders, etc.

Contractor will provide regular reports on the percentage of accounts successfully converted, giving the County insight into the data conversion project's progress.

In order for a section of converted data to be accepted, it must first pass a data verification from the County staff. This entails in-depth testing of the converted data in TaxSys by the County, confirming that all needed data elements in the current system are being properly captured in TaxSys and anything missing or inaccurate is noted as a test case failure. A section of converted data is considered to be accepted once data verification for the data section is completed and all test case failures are ticketed and prioritized.

After the iterative testing and major code updates, Contractor will shift focus to the final account-by-account data failures.

Work will culminate with the final extract and data conversion, followed by go-live, when the County's official system of record will switch over to TaxSys.

Additional Services

In addition to the software and services required to implement TaxSys, the following integrated value-added products and services are also included and will go live at the same time as TaxSys.

Online CORTAC Processing and Payment (EscrowExpress®)

Contractor shall provide an online CORTAC payment processing website for escrow companies and tax paying agents. The purpose of this web site is for banks and other entities that are paying a large number of tax bills (e.g., taxes held in escrow for homeowners) to manage their own payment process.

EscrowExpress includes:

1. Contractor provided services:
 - a. Technical support for EscrowExpress users via phone and e-mail between 8 A.M. and 5 P.M. Pacific Time on business days.
2. Escrow Company / Tax Paying Agent functionality:
 - a. Download roll archive file - download a file of roll information for all accounts, including due amounts, redemption balance, and other information.
 - b. Upload Request File - upload the list of accounts for which the company plans to make a payment.
 - c. Upload Payment File – upload a file listing all accounts they intend to pay taxes for and the associated amount to pay.
 - d. View archived uploads - All file uploads will be stored and cataloged permanently within the System, along with the relevant statistics.
 - e. View statistics including:
 - i. Total count of accounts requested
 - ii. Total count of accounts paid
 - iii. Total amount paid
 - iv. List of problem records from upload, with details of error
 - f. View file import errors – improperly formatted import files will be rejected, with appropriate error messages to assist in resolving issues
 - g. Request refund of unused funds
3. Administrative functionality:
 - a. Administrative dashboard view via TaxSys to monitor EscrowExpress user activity and progress on the site, such as:
 - i. Roll file download date
 - ii. Request file upload date
 - iii. Payment file upload date
 - iv. Amount deposited
 - v. Total Paid and number of accounts paid
 - vi. Refund requested, date and amount

Prior to applying payment for taxes due, an EscrowExpress user must send a check/wire to the County. This payment is recorded, and the funds are credited to the user. The money then becomes available to use for payment of taxes.

Go Live Preparation

For a significant amount of time the project's focus is on business process definition, business process implementation, data conversion and data verification, and unit and functional testing.

Once the final versions of each business process (BP) have been delivered, training and integration testing will begin and will conclude with the successful execution of go-live rehearsal.

1. Initially, Contractor-led classroom training for County staff and BP owners will be delivered on several key BPs with which a majority of users interact. The specific BPs targeted for classroom training will be identified via the training plan, but these typically involve cashiering, back office or branch transactional maintenance, accounting, and other daily operational functions, and integration or interfaces with external systems.
2. With County staff and BP owners now prepared to practice the new BPs in TaxSys, the core set of BP owners will execute a set of integration tests. The integration test plans guide the testing and integration of a key subset of functions across multiple BPs to match how the processes will be used during day-to-day operations of the office. After successful completion of the initial integration testing, additional training will be rolled out to remaining County staff.
3. With all County users now prepared to practice the new BPs via TaxSys, select County users will be asked to participate in user acceptance testing. Successive rounds of user acceptance tests are conducted to expand the number of functions included and the number of users involved. Specific details will be spelled out via the integration testing plans.
4. Following the successful completion of user acceptance testing, focus will turn to go-live planning and rehearsal. In preparation for go-live rehearsal Contractor will deliver the TaxSys support plan and the go-live plan. Both of these documents play an integral role during go-live rehearsal.
5. The last step when preparing for go-live is the go-live rehearsal. There are several objectives to be accomplished while executing go-live rehearsal. The first is to provide County staff an opportunity to exercise the TaxSys support plan. The second goal is to ensure that the go-live plan is comprehensive. And the third is to verify that County staff is sufficiently trained so that the cut-over to TaxSys is smooth and successful.

The final decision regarding the TaxSys go-live is contingent on the successful completion of the steps documented above.

The following table contains a preliminary plan for preparing for the TaxSys go-live.

Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025
Initial IT Test Plans Complete	BP Owner Training Integration Testing		Training Plans Complete Staff Training Delivered Support Plans Delivered		User Acceptance Testing Go-Live Plan Delivered Go-Live Rehearsal Final Data Extract		Go-Live

Roles and Responsibilities

The table below defines both Contractor and County roles and responsibilities necessary to successfully complete the TaxSys implementation. Contractor and County project managers will ensure each of these roles is satisfied.

Role	Responsibilities
------	------------------

Contractor Project Management Team	<ul style="list-style-type: none"> • Conducts the pre-kickoff and kickoff meetings • Develops the project management plan • Coordinates business process development • Coordinates integration training • Coordinates integration testing • Develops the go-live plan • Coordinates the support plan development • Directs and manages the Contractor project team • Monitors status of the project and deliverables • Facilitates problem resolution, including risk mitigation • Assumes responsibility for the execution of Contractor's activities
County Project Management Team	<ul style="list-style-type: none"> • Participates in the pre-kickoff and kickoff meetings • Serves as the primary liaison with County management and the project team • Monitors status of the project and deliverables • Facilitates problem resolution, including risk mitigation • Assumes responsibility for the execution of County activities • Reviews and accepts project deliverables
Contractor Business Process Owners/Business Analysts	<ul style="list-style-type: none"> • Develop County business processes • Coordinate development of System interfaces • Lead business process walkthroughs • Configure system per County needs • Develop training materials and delivers training to all County staff • Participate in integration testing
County Business Process Owners/Business Analysts/SMEs	<ul style="list-style-type: none"> • Knowledgeable of existing business processes as SMEs • Participate in Initial and final business process walkthroughs • Serve as primary point-of-contact for development of System business processes • Responsible for signing off on TaxSys business process documentation • Participate in integration testing • Attend training • Train future County staff after go-live • Lead go-live rehearsals • Participate in support plan development
Contractor Data Conversion Specialists	<ul style="list-style-type: none"> • Data analysis & specifications • Monitor and report on status of the legacy to TSF data conversion • Plan and facilitate the data verification (on-site and remote) • Author the data conversion progress report • Assist with the verification of data quality
County Data Specialists	<ul style="list-style-type: none"> • Provide regular extracts of source data for updated load and verification • Assist Contractor data conversion specialists mapping source data to TSF requirements
Contractor Project Management Office	<ul style="list-style-type: none"> • Responsible for overall project quality control • Ensures project adherence to Contractor's project management standards

County Project Management Office	<ul style="list-style-type: none"> • Responsible for overall project quality control • Oversight on deliverable sign off • Ensures project adherence to County security and contracting standards • Coordinates with County Assessor
Contractor Software Developers	<ul style="list-style-type: none"> • Implement business process requirements.
County Software Developers	<ul style="list-style-type: none"> • The role and effort required of County software developers will depend on the decisions made during the system implementation phase including but not limited to enhancements required to external systems for interfacing and communications with TaxSys.
County Information Technology Services (ITS)	<ul style="list-style-type: none"> • ITS responsibilities include but are not limited to implementing secure data exchange, firewall changes required to implement secure System communications, and the installation as applicable of required cashiering hardware including PIN pads for credit card processing.
County System Administrators	<ul style="list-style-type: none"> • County system administrators will be responsible post go-live for defining and managing user roles as required.

The individuals identified below are designated as the **Contractor Project Management Team**:

Contractor Project Manager: Dave Dunbar

Contractor Product Manager: Rachel Leheny

Contractor Relationship Manager: Janine Hyatt

The **Contractor Project Management Team** shall serve as designated contacts to assist County in all matters related to the Services and Deliverables.

On a weekly/monthly/quarterly basis, or more often if County requests, the **Contractor Project Management Team** will meet in-person or via teleconference to review a detailed status report, including specific barriers to or issues affecting timely milestone completion.

Milestone Schedule

Milestone completion is achieved by successfully demonstrating that the milestone's associated Deliverables have been successfully completed. The Deliverables are described above. The table below provides an initial proposal for the completion of each milestone along with a tentative completion date.

Key to the completion of several milestones is the delivery of business processes. The configuration and customization of each business process occurs iteratively over a period of time and includes two key sets of Deliverables: the initial and final BP versions.

The initial BP version is defined during a series of meetings, BP reviews, and demonstrations. The initial BP version is complete when the user stories have been accurately documented and described, and the

gaps or changes and enhancements required to successfully execute each user story have been documented.

The final BP version demonstrates that each user story in the BP has been successfully implemented through a series of demonstrations where each user story is shown and successfully executed. The final BP version is complete when each user story has been successfully executed and a punch list of issues or enhancements have been documented and prioritized.

Contractor organizes the business process into packages. During project initiation and in part as a result of the mapping of the County RFP Requirements to business processes, three (3) sets of business process packages will be defined. Which business processes are in each package will depend on the business process complexity with the more complex business processes assigned to package 3.

User Acceptance Testing Plan

- Contractor will notify County in writing of completion of each project milestone, and County will have thirty (30) business days after receipt of Contractor's notice to test the Deliverable to ensure that it meets the acceptance criteria as set forth in the SOW. County shall provide written notice of acceptance to Contractor upon completion of successful acceptance testing. With respect to any components of the System, the criteria for acceptance is whether the System functions in accordance with specifications and documentation set forth in the RFP, RFP Response, BAFO, and business process document, as mutually agreed between the parties. For the sake of clarity, in the event of a conflict with the RFP requirements, the final business process document, when mutually agreed upon by the parties, will control.
- If County determines that the Deliverable does not function in a manner that meets, in all material respects, the acceptance criteria defined in the SOW, County may reject the Deliverable by providing Contractor with a written list detailing each failure of the acceptance criteria.
- Contractor will correct the any non-conformities identified in County's rejection notice and shall resubmit the Deliverable for acceptance criteria testing within thirty (30) business days of County's notice. If Contractor is unable to or fails to correct such non-conformities, County may, in its sole discretion: (i) conditionally accept the Deliverable while reserving the right to revoke acceptance if timely correction is not forthcoming; or (ii) accept those portions of the Deliverable that meet the acceptance criteria and require Contractor to continue to work to correct the rejected portions of the Deliverable.
- If after two (2) unsuccessful attempts, Contractor fails to correct the Deliverable, County may terminate this Contract without further obligation, and seek to recover amounts previously paid for such Deliverable.
- Payment for services is due Net 30 from the date that the County Representative provides written certification of completion of the milestone or project as set forth in this SOW.

The following table documents the implementation Deliverables and milestones.

#	Milestone	Est. Date	Amount	%
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1	Contract Award - Finalized and approved project contract Project Kick Off - Kickoff Meeting - Introduction to TaxSys Training - JIRA and Confluence Training - TaxSys Standard Format (TSF) Introduction and Training <i>* Payment upon County approval</i>	July 2022	\$1,091,362	3.98%
2	Project Plans - Scope Management Plan - Schedule Management Plan - Communications Plan - Risk Management Plan - Quality Control Management Plan - Requirements Traceability Plan - Data Conversion Management Plan <i>* Payment upon County approval</i>	August 2022	\$1,364,202	4.97%
3	Data Conversion Extract and Load Framework - Automate the data extract from existing systems - Begin using the load and balancing framework <i>* Payment upon County approval</i>	September 2022	\$2,728,404	9.94%
4	Administrative Data Conversion - Initial data verification for Administrative Data is complete - All test case failures are ticketed and prioritized <i>* Payment upon County approval</i> Initial Business Process (Package 1) - User stories for each BP in the package have been accurately documented - Initial BP Walkthrough is complete and notes are published - County feedback about changes, gaps, and enhancements are documented <i>* Payment upon County approval</i>	December 2022	\$3,209,122	11.69%
5	Annual Property Tax Data Conversion - Initial data verification for Annual Property Tax Data is complete - All test case failures are ticketed and prioritized <i>* Payment upon County approval</i>	July 2023	\$935,453	3.41%
6	Escape Data Conversion - Initial data verification for Escape Data is complete - All test case failures are ticketed and prioritized <i>* Payment upon County approval</i>	September 2023	\$935,453	3.41%

7	<p>Initial Business Process (Package 2)</p> <ul style="list-style-type: none"> - User stories for each BP in the package have been accurately documented - Initial BP Walkthrough is complete and notes are published - County feedback about changes, gaps, and enhancements are documented <p><i>* Payment upon County approval</i></p> <p>Final Business Process (Package 1)</p> <ul style="list-style-type: none"> - Final Business Process Walkthrough is complete and notes are published - Punch list of issues or enhancements has been documented and prioritized <p><i>* Payment upon County approval</i></p> <p>Supplemental Data Conversion</p> <ul style="list-style-type: none"> - Initial data verification for Supplemental Data is complete - All test case failures are ticketed and prioritized <p><i>* Payment upon County approval</i></p>	December 2023	\$3,845,751	14.01%
8	<p>Initial Business Process (Package 3)</p> <ul style="list-style-type: none"> - User stories for each BP in the package have been accurately documented - Initial BP Walkthrough is complete and notes are published - County feedback about changes, gaps, and enhancements are documented <p><i>* Payment upon County approval</i></p> <p>Delinquent Data Conversion</p> <ul style="list-style-type: none"> - Initial data verification for Redemptions and Lien Data is complete - All test case failures are ticketed and prioritized <p><i>* Payment upon County approval</i></p>	April 2024	\$2,390,602	8.71%
9	<p>Final Business Process (Package 2)</p> <ul style="list-style-type: none"> - Final Business Process Walkthrough is complete and notes are published - Punch list of issues or enhancements has been documented and prioritized <p><i>* Payment upon County approval</i></p> <p>Apportionment and TOT Data Conversion</p> <ul style="list-style-type: none"> - Initial data verification for Apportionment and TOT Data is complete - All test case failures are ticketed and prioritized <p><i>* Payment upon County approval</i></p>	July 2024	\$2,390,602	8.71%

10	<p>Final Business Process (Package 3)</p> <ul style="list-style-type: none"> - Final Business Process Walkthrough is complete and notes are published - Punch list of issues or enhancements has been documented and prioritized * <i>Payment upon County approval</i> <p>User Acceptance Testing Plans</p> <ul style="list-style-type: none"> - Testing dates identified for each round of Integration Testing - Initial test plans are complete and reviewed with County * <i>Payment upon County approval</i> <p>Support Plan</p> <ul style="list-style-type: none"> - Support Plan document is published and reviewed with County * <i>Payment upon County approval</i> 	December 2024	\$2,567,690	9.36%
11	<p>Training Plans</p> <ul style="list-style-type: none"> - Training courses, audience, and dates are documented and reviewed with County * <i>Payment upon County approval</i> <p>Training</p> <ul style="list-style-type: none"> - Training for end users is complete - Training materials are published * <i>Payment upon County approval</i> 	April 2025	\$1,568,832	5.72%
12	<p>User Acceptance Testing Execution</p> <ul style="list-style-type: none"> - Integration Testing is complete - Punch list of issues and enhancements have been documented and prioritized * <i>Payment upon County approval</i> 	May 2025	\$682,101	2.49%
13	<p>Go Live Plan</p> <ul style="list-style-type: none"> - Detailed cutover plan is reviewed and approved by County and external stakeholders * <i>Payment upon County approval</i> <p>Go Live Rehearsal</p> <ul style="list-style-type: none"> - Rehearsal of final data conversion - Functional parallel between existing system and TaxSys is complete - Punch list of issues has been documented and prioritized * <i>Payment upon County approval</i> 	June 2025	\$2,095,025	7.63%

14	Final Data Conversion - Converted data is ready for deployment to Production. - County and Grant Street mutually agree to resolution plan for remaining punch list items <i>* Payment upon County approval</i> Go Live - Cutover plan is executed - TaxSys is the system of record <i>* Payment upon County approval</i>	July 2025	\$1,637,042	5.97%
Total			\$27,441,641	100%

Schedule A.1.1: Modified Requirements and Clarifications

The parties mutually agreed to modify the following RFP Requirements and change response or requirement language from the RFP as originally issued.

Req #	Description	MEETS STA	MEETS ADV	MEETS DEV	NOT MEET
RD-42	Ability to upload costs of the following types: 1. Proportional - allocated based on collections 2. Direct - associated with a specific RDA Ability to report on the sum of proportional and direct costs to display a total cost per RDA			X	
RD-306	Ability to store/retrieve associated Asset Liquidation data (current/historical) including but not limited to: a. DDR-LMIHF Remittance and Distribution data b. DDR-OFA Remittance and Distribution data c. Long Range Property Management Plan (LRPMP) data d. Other Data that may be required based on legislative changes			X	
MIA-01	The System shall have accessibility from native mobile application using the following mobile platforms, including but not limited to: a. Android b. iPhoneOS, iPadOS Alternately, the System shall provide responsively designed pages for specific business processes on the internal TaxSys site to facilitate easy navigation and action on tablets and phones.			X	
AA-638	Ability for the system to identify errors during the upload process from SAP to TaxSys	X			
AA-639	Ability for the system to reconcile cost center balances by: a. Determining the cost center/fund balance in the system for the specified date range for accounting activity initiated via TaxSys b. Determining the cost center/fund balance at the G/L account level, if applicable for accounting activity initiated via TaxSys c. Comparing the SAP and system cost center/fund balances and determining if variances exist d. Identifying variances including, but not limited to, unmatched cost center/funds, differences in balances, etc.	X			
AA-642	Ability for the system to populate and display the reconciliation report including, but not limited: a. Cost centers/funds reconciled b. Date range	X			

	c. System cost center/fund balances d. System cost center/fund balances by G/L account e. SAP cost center/fund balances f. SAP cost center/fund balances by G/L account g. Variances identified h. Notes/comments i. Date of reconciliation				
DAD-152	Ability to override system calculated minimum-bid with new calculation. Ability to add overriding notes/comments	X			
DAD-249	Ability to identify unpaid parcels and the associated winning bidders that will so they can be banned	X			
DAD-262	Ability for permissioned users to delete scanned documents after adding them to the system correct scanning results before filing into the System	X			
PAY-25	Ability to capture scanline data to populate shopping cart and store scanlines once scanned	X			

The parties mutually agreed to the clarifications of the following RFP Requirements:

Req #	Description	Contractor Clarification
RP-138	<p>DIRECT CHARGES</p> <p>Ability for the system to limit the direct charge to what was approved by the taxing agency's Board</p>	<ul style="list-style-type: none"> • TaxSys will support loading a direct charge for a specific agency on a specific parcel, for a specific year, both via the internal site and the Direct Charge Upload Portal. <ul style="list-style-type: none"> ◦ TaxSys will include a field for the board-approved limit for that direct charge on the internal site and the Direct Charge Upload Portal. • TaxSys will provide messages to the user after upload, including: <ul style="list-style-type: none"> ◦ Account number not found ◦ Duplicate charges ◦ Amount charged exceeds the board-approved limit ◦ Total successful records ◦ Total failed records • County users will have access to an error report on the internal site for files uploaded by agencies via the portal. <p>ATC excludes the following Contractor proposed extra development:</p> <ul style="list-style-type: none"> • Ability to set "maximum" for a direct charge. Ability to provide error messages to Direct Charge Portal users

		<p>when the maximum is exceeded. Ability to report on those errors on the internal site.</p> <ul style="list-style-type: none"> • \$54,175 • 275 hours
AA-638	<p>Fund Balance Reconciliation</p> <p>Ability for the system to identify errors during the upload process from SAP to TaxSys</p>	<ul style="list-style-type: none"> • Any time a financial action happens in TaxSys, the system writes accounting entries that correspond to the moves that need to be made in SAP. This includes bill-based actions (like payments on property tax bills) and non-bill-based actions (like the distribution of HOPTR funds) <ul style="list-style-type: none"> ○ All accounting entries are reportable in TaxSys at any time. TaxSys creates detailed and summary reconciliation reports using this data, which is what the County will use when balancing TaxSys to SAP. ○ Accounting entries are grouped in three types of interfaces. These are sent from TaxSys to SAP after review, balancing, and approval. <ul style="list-style-type: none"> ■ Daily activity from cashiering, cancellations, and corrections ■ Refunds ■ Distributions ○ TaxSys also imports some information from SAP to track check or warrant information, including: <ul style="list-style-type: none"> ■ Check or warrant numbers ■ Check cleared dates ■ Stale-dated warrants eligible for escheatment • Contractor currently sets up the chart of accounts in the accounting configuration file. This maps ledger or financial actions to the corresponding destination in SAP. <ul style="list-style-type: none"> ○ The accounting configuration file is currently a YAML-based file that requires specialized knowledge to navigate. It is primarily managed by TaxSys Business Analysts (Bas). ○ During the implementation, Contractor will move more management of the chart of accounts to the TaxSys UI, which will allow ATC to self-manage fund codes, cost centers, GL accounts, source codes, payment method, and more without specialized YAML knowledge. This development is included in the existing cost proposal, per the BAFO letter. • Because TaxSys is not the only system that might interface with property tax general ledgers in SAP, TaxSys is not the system of record for general ledger balancing.
AA-639	<p>Fund Balance Reconciliation</p> <p>Ability for the system to reconcile cost center balances by:</p> <ol style="list-style-type: none"> Determining the cost center/fund balance in the system for the specified date range for accounting activity initiated via TaxSys Determining the cost center/fund balance at the G/L account level, for accounting activity initiated via TaxSys 	
AA-642	<p>Fund Balance Reconciliation</p> <p>Ability for the system to populate and display the reconciliation report including, but not limited:</p> <ol style="list-style-type: none"> Cost centers/funds reconciled Date range System cost center/fund balances System cost center/fund balances by G/L account SAP cost center/fund balances SAP cost center/fund balances by G/L account Variances identified Notes/comments Date of reconciliation 	

		<ul style="list-style-type: none"> ○ During the implementation, Contractor will not be able to build 'automated' reconciliation between SAP and TaxSys. ○ Contractor will produce the reports ACT needs to reconcile but will not digest reconciliation data from SAP. Reconciliation data from SAP can be attached to TaxSys for reference, however. ○ Contractor can also send the TaxSys-generated reconciliation reports via CSV file transfer of the accounting entries report, FTP drops off of the interface file, or by providing direct data access. This will enable SBC IT to automate reconciliation on your side. <p>ATC includes the above Contractor clarifications at no charge.</p>
RD-42	<p>RPTTF Admin Cost Calculation</p> <p>Ability to upload costs of the following types:</p> <ol style="list-style-type: none"> 1. Proportional - allocated based on collections 2. Direct - associated with a specific RDA <p>Ability to report on the sum of proportional and direct costs to display a total cost per RDA</p>	<ul style="list-style-type: none"> ● TaxSys will not store the hours or hourly cost but will support the ability to upload a total cost. ● Each cost will be either proportional or direct. <ul style="list-style-type: none"> ○ Proportional costs will be allocated based on collections ○ Direct costs will be assigned to a specific RDA ● TaxSys will not calculate direct costs, they will be manually entered at the total level. ● TaxSys will provide the ability to add proportional and direct costs to display a total admin cost per RDA. <p>ATC includes the above Contractor clarifications at the following charge:</p> <ul style="list-style-type: none"> ● Ability for Property Tax staff to input total costs for an RDA, to be allocated either proportionally or directly to an RDA. ● \$26,595 ● 135 hours
RD-306	<p>RPTTF Asset Liquidation</p> <p>Ability to store/retrieve associated Asset Liquidation data (current/historical) including but not limited to:</p> <ol style="list-style-type: none"> a. DDR-LMIHF Remittance and Distribution data b. DDR-OFA Remittance and Distribution data c. Long Range Property Management Plan (LRPMP) data d. Other Data that may be required based on legislative changes 	<ul style="list-style-type: none"> ● TaxSys users will be able to enter the net sale proceeds for each asset liquidation. TaxSys will allocate based on the factors for each agency in order to support apportionment. ● Contractor will not support the tracking of assets pre-sale. ● Associated data (i.e., LRPMP documents) can be uploaded to the RDA for reference. ● ATC expects data migration of historic asset liquidations, at the level of tax type codes and their associated GL. Contractor data conversion team can accommodate this request. <p>ATC includes the above Contractor clarifications at the following charge:</p> <ul style="list-style-type: none"> ● Create the ability to distribute asset liquidations, link them with the associated RDA, and import data for historic asset

		<p>liquidations.</p> <ul style="list-style-type: none"> • \$131,005 • 665 hours
PAY-25	<p>Cashiering Payment Processing</p> <p>Ability to capture scanline data to populate shopping cart</p>	<ul style="list-style-type: none"> • TaxSys can use scanline data (in addition to barcodes and manual entry) to pull bills into the shopping cart for the cashier. <ul style="list-style-type: none"> ○ Since the Cashiering module is part of TaxSys, the amount due that appears in the shopping cart will be the current amount due on the bill, irrespective of what bill amount is printed in the scanline. The scanline is just used to find the correct bills. ○ Certain users may perform partial payments. There are three levels of permissions for partial payments: <ul style="list-style-type: none"> ■ Cannot accept partial payments at all ■ Can accept partial payments with warning - this will display a large warning message so that the clerk understands they are going to accept something that is not the payment in full ■ Can accept partial payments - no warning • Check Images <ul style="list-style-type: none"> ○ TaxSys will capture all images using the point-of-sale scanner, tag them with appropriate metadata (transaction ID, bill ID, etc.) and drop them to a local folder (exact location is county-configurable). TaxSys does not store the image in its own database. ○ TaxSys does not look at the image for quality or to read fields and store those fields in the database. ○ ATC proposed removing PAY-18. ○ These requirements pertain to point-of-sale scanning for later image lookup, not to Check21. There are specific image quality requirements and other requirements for ICL covered in PAY-253 - PAY-263. <p>ATC includes the above Contractor clarifications at no charge.</p>
DAD-152	<p>Tax Sale Preparation</p> <p>Ability to override minimum-bid amount. Ability to add overriding notes/comments</p>	<p>Contractor can meet this requirement.</p> <p>ATC includes the above Contractor clarifications at no charge.</p>
DAD-249	<p>Tax Deed</p> <p>Ability to identify unpaid parcels and the associated winning bidders so they can be banned</p>	<p>Contractor can meet this requirement.</p> <p>ATC includes the above Contractor clarifications at no charge.</p>

DAD-262	<p>Process Bankruptcy Notification</p> <p>Ability for permissioned users to delete scanned documents after adding them to the system</p>	<ul style="list-style-type: none"> • Users with the relevant permissions will be able to delete and replace documents after they have been scanned into the system. • ATC agreed to adjust the language of this requirement. <p>ATC includes the above Contractor clarifications at no charge.</p>
WOR-10	<p>Business Rules and Workflow</p> <p>The System shall provide workflow editing tools with WYSIWYG (What-You-See-Is-What-You-Get) capabilities (without understanding of programming language)</p>	<ul style="list-style-type: none"> • Business Rules <ul style="list-style-type: none"> ○ Because TaxSys was built explicitly for California, there are some business rules that are hard-coded. <ul style="list-style-type: none"> ■ For example, TaxSys enforces that there are two installments for secured annual bills, and one installment for unsecured annual bills, and the fact that all redemption bills need to be paid together is baked into the code. ○ However, many other business rules, especially those related to County processes and preferences, can be edited by the ACT team. <ul style="list-style-type: none"> ■ There are over 500 configurations that ACT can manage. Contractor helps with initial set up during the implementation, but ACT controls these configurations going forward. ■ It is rare for to encounter a business rule that ACT needs to adjust that TaxSys can't accommodate via existing configurations, but if it does come up, Contractor and ACT can discuss and prioritize development to create a new configuration. • Workflow <ul style="list-style-type: none"> ○ Contractor is currently working on integrating with a workflow system. Contractor does not plan to retrofit all of TaxSys to use workflow, but we will be adding workflow to several key business areas, including: <ul style="list-style-type: none"> ■ Tax Sale ■ Distribution Creation, Balancing, Finalization, and SAP Interface ■ AB-8 and Other Factor Setting ■ Refunds ■ Delinquent Collections ○ Contractor and ACT may jointly identify more business areas that would benefit from workflow during the implementation. ○ Many changes or edits to workflows can be made by authorized users, but some updates will require
BRL-04	<p>Business Rules and Workflow</p> <p>The System shall provide business-rules editing tools with WYSIWYG (What-You-See-Is-What-You-Get) capabilities (without understanding of programming language)</p>	

		<p>minor development. For example, ACT users will be able to:</p> <ul style="list-style-type: none"> ■ Change criteria ■ Reorder existing workflow steps ■ Add simple workflow steps that do not interact with TaxSys (for example: check this box to confirm you reviewed the check image) <ul style="list-style-type: none"> ○ If ACT wants to add a workflow step that executes a TaxSys action in a new and different way, this will require minor development on Grant Street's side to make the 'action' accessible to the workflow. ○ After go-live, Contractor will continue enhancing TaxSys with the workflow system, and plan to enhance the management of the workflow system itself. Contractor does not have a pre-defined roadmap for these enhancements – they will be dictated by the experience during the implementation and ACT's feedback about working with the tool post-go-live. <ul style="list-style-type: none"> ● These two requirements will remain as-is ("Not Meet"), but we should add some language to the Statement of Work that articulates our plans for workflow. <p>ATC includes the above Contractor clarifications at no charge.</p>
DIM 1-11	Documents / Imaging Management and Search	<ul style="list-style-type: none"> ● ATC explained that they prefer to scan all documents into TaxSys, and do not want to integrate with an external document management system. <ul style="list-style-type: none"> ○ This is certainly possible, but Contractor pointed out several limitations of this approach to ensure that ACT is aware of them: <ul style="list-style-type: none"> ■ Storing the documents in TaxSys means they will travel over the County's network each time they are viewed (and for the initial upload). This will increase bandwidth requirements. ■ The majority of TaxSys clients use 3rd party fully featured document management systems, and link to them from TaxSys. The limited document management features in TaxSys are likely to be inadequate for ACT's needs, if not currently then in the long run. Substantial enhancements to this functionality are not on our product roadmap.

		<ul style="list-style-type: none"> ● TaxSys is not a full-fledged document management system. <ul style="list-style-type: none"> ○ TaxSys can store documents of various types (excel, PDF, RTF, etc) that are associated with business objects (cashiering transactions, parcels, taxing agencies, apportionments, etc). <ul style="list-style-type: none"> ■ TaxSys does not have a generic place to store arbitrary documents. Every document has to be associated with a business object (e.g., a parcel). ○ TaxSys does not index or parse the contents of documents. ○ Documents can be searched by attributes of the business object they are directly attached to (e.g., bill, transaction). Documents attached to other business objects related to the first one (e.g., a cashiering transaction on a particular bill) cannot currently appear in a search for documents associated with that bill. The user can search for these, but they will not appear together in a <i>single</i> search. ○ Users can also search for: <ul style="list-style-type: none"> ■ Documents of a specific type (ex: Printed Bills, Notice of Intent to Sell) ■ Documents uploaded in a specific date range ■ Documents uploaded by a specific user ○ Users with the relevant permissions will be able to delete and replace documents after they have been scanned into the system. ● TaxSys does not currently have a feature to programmatically extract documents from TaxSys. ACT expressed interest in doing so in order to load documents to their data warehouse. <ul style="list-style-type: none"> ○ While this is not something Contractor currently have planned for the implementation, it is possible for Contractor to build an API that would allow ACT to provide the business object type and identifier (ex: PT + Parcel Number, or Cashiering + Transaction Number) and TaxSys would deliver any document attachments connected to that business object. ○ There are other options as well, and Contractor would want to discuss the specifics with ACT before doing any development.
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		<p>ATC excludes the following Contractor proposed extra development:</p> <ul style="list-style-type: none"> • Add an API that will allow SBC to fetch documents from TaxSys and load them into the SBC data warehouse. This requirement was added during our last call in the context of TaxSys' limitations as a document management system and SBC's intent to use it as such. • \$78,800 • 400 hours
SCH-01	<p>Scheduling / Calendars</p> <p>The System shall have capability to manage key dates and times, and time-intervals of important County Calendars</p>	<ul style="list-style-type: none"> • TaxSys does not have a generalized set of calendar functionality, but it does store key dates for specific business needs. For example: <ul style="list-style-type: none"> ◦ TaxSys stores a variety of dates related to Tax Sale ◦ Contractor can build an Apportionment schedule ◦ TaxSys stores holidays so that we know when to extend payment deadlines and display office closures • Additionally, for certain Business Processes, Contractor envisions integration with workflow. <ul style="list-style-type: none"> ◦ For example, TaxSys would send a reminder to Property Tax staff when it is time to start an apportionment. ◦ Likewise, Tax Sale dates will interact with Workflow. • ATC does not expect a graphical representation of the calendar, and it is okay that TaxSys will not manage conflicting dates. Contractor and ATC agreed to remove SCH-04 and SCH-05. <p>ATC excludes the following Contractor proposed extra development:</p> <ul style="list-style-type: none"> • Create an apportionment calendar. Add the ability for users to add, remove, and modify general calendar dates. Notify users of upcoming dates. • \$78,800 • 400 hours
SCH-06	<p>Scheduling / Calendars</p> <p>The System shall have the ability to Add/Modify/Delete Schedule/Calendar</p>	
SCH-07	<p>Scheduling / Calendars</p> <p>The System shall have the ability to assign roles to access Scheduling/Calendar</p>	
MSG-02	<p>Notifications / Messaging</p> <p>The System shall provide tracking/logging to the distribution of message/notification. The System shall track the following activity(s), including but not limited to:</p> <ol style="list-style-type: none"> a. Message routing information 	<ul style="list-style-type: none"> • TaxSys can log that emails have been: <ul style="list-style-type: none"> ◦ Sent ◦ Delivered ◦ Read / Opened • TaxSys does not track that attachments have been opened, because many programs (like Adobe) will display error messages to the user when this is attempted, which can look invasive or like a security risk.

	<p>b. Message being received, read, clicked, acknowledged</p>	<ul style="list-style-type: none"> • It is possible for TaxSys to track that links from emails were clicked. For example, if we send an e-bill, we can log that the e-bill link was clicked from the body of the email. • ATC confirmed that they do not expect TaxSys to embed anything related to their internal messaging client in TaxSys. <p>ATC excludes the following Contractor proposed extra development:</p> <ul style="list-style-type: none"> • Ability to log and report on status (sent, delivered, read/opened) for a variety of message types. Ability to track, at the user level, that a specific link was clicked for particular use cases (e.g.: e-bill, TOT correspondence, etc.) • \$131,005 • 665 hours
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EXHIBIT A-2
ONLINE CONFIDENTIALITY AGREEMENT

Grant Street grants You, subject to the terms and conditions of the Contract between Grant Street and San Bernardino County Auditor-Controller/Treasurer/Tax Collector, a license to use the System for the sole purpose of assisting the San Bernardino County Auditor-Controller/Treasurer/Tax Collector with billing, collection, apportionment, and administration of property taxes and related services. You acknowledge and understand that the System licensed under this Contract constitutes a valuable trade secret that is owned by Grant Street. You also acknowledge and understand that You will have access to proprietary information owned by Grant Street Group. Accordingly, you agree that you will not knowingly allow anyone to log into the System with your personal login credentials nor will you disclose or reproduce, in person, in print or electronically, screen images from the System to/for anyone other than a County employee with a need to know.

Contract Number

SAP Number



ATTACHMENT B
IMPLEMENTATION AND SOFTWARE SUBSCRIPTION FEE SCHEDULE

Implementation

In consideration of the services provided by Contractor described in Attachment A, Exhibit A-1, and subject to the terms of the Contract, County shall pay Contractor based on the following project milestone payment schedule, which assumes a 36-month timeline.

In the event that unforeseen circumstances require changes to the development plan set forth in the SOW, County will issue a change order to Contractor. Contractor will promptly notify County and will not begin work under the change order without County's written acceptance, if any change order will affect the price, milestone dates, Deliverables or project completion date. The County Representative shall represent the County in all matters pertaining to the services to be rendered under this Contract, including without limiting satisfactory completion of milestones, acceptance of Deliverables, and changes to the project scope. Changes that affect the project budget, result in extending the Contract Term, or otherwise modify any provision of the Contract must be approved by the San Bernardino County Board of Supervisors.

#	Milestone	Est. Date	Amount	%
1	Contract Award - Finalized and approved project contract Project Kick Off - Kickoff Meeting - Introduction to TaxSys Training - JIRA and Confluence Training - TaxSys Standard Format (TSF) Introduction and Training <i>* Payment upon County approval</i>	July 2022	\$1,091,362	3.98%
2	Project Plans - Scope Management Plan - Schedule Management Plan - Communications Plan - Risk Management Plan - Quality Control Management Plan - Requirements Traceability Plan - Data Conversion Management Plan <i>* Payment upon County approval</i>	August 2022	\$1,364,202	4.97%

3	Data Conversion Extract and Load Framework - Automate the data extract from existing systems - Begin using the load and balancing framework <i>* Payment upon County approval</i>	September 2022	\$2,728,404	9.94%
4	Administrative Data Conversion - Initial data verification for Administrative Data is complete - All test case failures are ticketed and prioritized <i>* Payment upon County approval</i> Initial Business Process (Package 1) - User stories for each BP in the package have been accurately documented - Initial BP Walkthrough is complete and notes are published - County feedback about changes, gaps, and enhancements are documented <i>* Payment upon County approval</i>	December 2022	\$3,209,122	11.69%
5	Annual Property Tax Data Conversion - Initial data verification for Annual Property Tax Data is complete - All test case failures are ticketed and prioritized <i>* Payment upon County approval</i>	July 2023	\$935,453	3.41%
6	Escape Data Conversion - Initial data verification for Escape Data is complete - All test case failures are ticketed and prioritized <i>* Payment upon County approval</i>	September 2023	\$935,453	3.41%
7	Initial Business Process (Package 2) - User stories for each BP in the package have been accurately documented - Initial BP Walkthrough is complete and notes are published - County feedback about changes, gaps, and enhancements are documented <i>* Payment upon County approval</i> Final Business Process (Package 1) - Final Business Process Walkthrough is complete and notes are published - Punch list of issues or enhancements has been documented and prioritized <i>* Payment upon County approval</i> Supplemental Data Conversion - Initial data verification for Supplemental Data is complete - All test case failures are ticketed and prioritized <i>* Payment upon County approval</i>	December 2023	\$3,845,751	14.01%

8	<p>Initial Business Process (Package 3)</p> <ul style="list-style-type: none"> - User stories for each BP in the package have been accurately documented - Initial BP Walkthrough is complete and notes are published - County feedback about changes, gaps, and enhancements are documented <p><i>* Payment upon County approval</i></p> <p>Delinquent Data Conversion</p> <ul style="list-style-type: none"> - Initial data verification for Redemptions and Lien Data is complete - All test case failures are ticketed and prioritized <p><i>* Payment upon County approval</i></p>	April 2024	\$2,390,602	8.71%
9	<p>Final Business Process (Package 2)</p> <ul style="list-style-type: none"> - Final Business Process Walkthrough is complete and notes are published - Punch list of issues or enhancements has been documented and prioritized <p><i>* Payment upon County approval</i></p> <p>Apportionment and TOT Data Conversion</p> <ul style="list-style-type: none"> - Initial data verification for Apportionment and TOT Data is complete - All test case failures are ticketed and prioritized <p><i>* Payment upon County approval</i></p>	July 2024	\$2,390,602	8.71%
10	<p>Final Business Process (Package 3)</p> <ul style="list-style-type: none"> - Final Business Process Walkthrough is complete and notes are published - Punch list of issues or enhancements has been documented and prioritized <p><i>* Payment upon County approval</i></p> <p>User Acceptance Testing Plans</p> <ul style="list-style-type: none"> - Testing dates identified for each round of Integration Testing - Initial test plans are complete and reviewed with County <p><i>* Payment upon County approval</i></p> <p>Support Plan</p> <ul style="list-style-type: none"> - Support Plan document is published and reviewed with County <p><i>* Payment upon County approval</i></p>	December 2024	\$2,567,690	9.36%

11	Training Plans - Training courses, audience, and dates are documented and reviewed with County <i>* Payment upon County approval</i> Training - Training for end users is complete - Training materials are published <i>* Payment upon County approval</i>	April 2025	\$1,568,832	5.72%
12	User Acceptance Testing Execution - Integration Testing is complete - Punch list of issues and enhancements have been documented and prioritized <i>* Payment upon County approval</i>	May 2025	\$682,101	2.49%
13	Go Live Plan - Detailed cutover plan is reviewed and approved by County and external stakeholders <i>* Payment upon County approval</i> Go Live Rehearsal - Rehearsal of final data conversion - Functional parallel between existing system and TaxSys is complete - Punch list of issues have been documented and prioritized <i>* Payment upon County approval</i>	June 2025	\$2,095,025	7.63%
14	Final Data Conversion - Converted data is ready for deployment to Production. - County and Grant Street mutually agree to resolution plan for remaining punch list items <i>* Payment upon County approval</i> Go Live - Cutover plan is executed - TaxSys is the system of record <i>* Payment upon County approval</i>	July 2025	\$1,637,042	5.97%
Total			\$27,441,641	100.00%

TaxSys Software Subscription Fee

County shall pay Contractor's TaxSys software Subscription Fee, in full and in advance, on July 1 of each year as follows:

Year 1 Subscription Fee	7/1/2022	\$500,000
Year 2 Subscription Fee	7/1/2023	\$1,225,000
Year 3 Subscription Fee	7/1/2024	\$1,775,000

Year 4 Subscription Fee	7/1/2025	\$3,325,000
Starting in Year 5 the Subscription Fee shall escalate annually at the lower of the Consumer Price Index (CPI) for the Riverside-San Bernardino-Ontario, CA CPI-U rate or 5%. For the purposes of this schedule, the below Subscription Fees for Years 5-10 are shown at the 5% escalator level. If the Riverside-San Bernardino-Ontario, CA CPI-U published index during the 12-month period preceding July 1 of each year (May to May) is less than 5%, Contractor shall invoice County for the lesser amount based on the CPI-U.		
Year 5 Subscription Fee	7/1/2026	\$3,491,250
Year 6 Subscription Fee	7/1/2027	\$3,665,813
Year 7 Subscription Fee	7/1/2028	\$3,849,103
Year 8 Subscription Fee	7/1/2029	\$4,041,558
Year 9 Subscription Fee	7/1/2030	\$4,243,636
Year 10 Subscription Fee	7/1/2031	\$4,455,818
Total		\$30,572,178

Professional Services Hourly Rate

During the term of the Contract, any additional work that falls outside of scope of Attachment A and Exhibit A-1, shall be billed at Contractor's blended professional services rate, inclusive of all travel costs if applicable, as follows:
1) \$275 per hour during Years 1-5, and 2) \$300 per hour beginning in Years 6-10.

EscrowExpress

The fees for Contractor's EscrowExpress services (CORTAC payments) as described in Exhibit A-1, Statement of Work, shall be as follows:

EscrowExpress® - online escrow payment processing services	Contractor shall collect \$0.50 per installment paid directly from entities making such escrow tax payments. County, in its sole discretion, may support Contractor's efforts to collect charges associated with escrow payment processing, including by sending user entities a letter advising them of the charges. There is no fee to the County.
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[END OF SOFTWARE SUPPORT AND MAINTENANCE TERMS]

Contract Number

SAP Number



ATTACHMENT C
CLOUD SERVICES TERMS AND CONDITIONS

These Cloud Services Terms and Conditions are attached to, form a part of, and supplement the General Terms only with respect to cloud services.

A. DEFINITIONS

Capitalized terms used herein have the same meaning as ascribed in the General Terms. In addition, the following capitalized terms shall have the meaning ascribed herein:

- A.1** "CISO": County Chief Information Security Officer or other County-designated officer responsible for cyber-infrastructure security.
- A.2** "Cloud Service": Generally, SaaS, PaaS, and/or IaaS depending on what Service Provider is offering under this Contract.
- A.3** "CSP": Cloud Service Provider is the contracted derivative or direct provider of Cloud Services.
- A.4** "CONUS": Continental United States
- A.5** "County Data": Any information, formulae, algorithms, or other content that County, County's employees, agents and end users upload, create or modify using the SaaS pursuant to this Contract. County Data also includes user identification information, personally identifiable information, and metadata which may contain County Data or from which County Data may be ascertainable.
- A.6** "Data Breach": Any access, destruction, loss, theft, use, modification or disclosure of County Data by an unauthorized party or that is in violation of Contract terms and/or applicable state or federal law.
- A.7** "IaaS" (Infrastructure as a Service): Service Provider provides the underlying cloud infrastructure for processing, storage, networks, and other fundamental computing resources that the customer does not manage or control, but the customer has control over operating systems; storage, deployed applications, and possibly limited control of select networking components (e.g., host firewalls).
- A.8** "PaaS" (Platform as a Service): Applications running on a cloud infrastructure managed or controlled by the Service Provider that are client-created or acquired using programming languages and tools supported by the Service Provider but deployed onto the cloud infrastructure and controlled by client.
- A.9** "Recovery Point Objective (RPO)": The point in time at which County Data can be recovered and/or systems restored when service is restored after an interruption. The Recovery Point Objective is expressed as a length of time between the interruption and the most proximate backup of County Data immediately preceding the interruption. The RPO is detailed in the SLA.
- A.10** "Recovery Time Objective (RTO)": The period of time within which information technology services, systems, applications and functions must be recovered following an unplanned interruption. The RTO is

detailed in the SLA.

A.11 “SaaS” (Software as a Service): Applications running on a cloud infrastructure managed or controlled by the Service Provider including network, servers, operating systems, or storage, that are accessed by client devices through a thin client interface such as a web browser.

A.12 “SLA”: Service Level Agreement which is attached hereto as Exhibit C-1 and hereby incorporated herein.

A.13 “Service Provider”: Contractor, as defined in the General Terms or the individual or entity that is the owner of the rights to the Software.

B. CLOUD SERVICE AVAILABILITY

The Cloud Service shall be available twenty-four (24) hours per day, 365/366 days per year. If Cloud Service monthly availability averages less than 99.5% (excluding agreed-upon maintenance downtime), County shall be entitled to recover damages, apply credits or use other contractual remedies as set forth in the SLA. If Cloud Service monthly availability averages less than 99.5% (excluding agreed-upon maintenance downtime), for three (3) or more months in a rolling twelve-month period, County may terminate the contract for material breach. Service Provider shall provide advance written notice to County of any major upgrades or changes that will affect the Cloud Service availability.

C. DATA AVAILABILITY

County Data shall be available twenty-four (24) hours per day, 365/366 days per year. If County Data monthly availability averages less than 99.5% (excluding agreed-upon maintenance downtime), County shall be entitled to recover damages, apply credits or use other contractual remedies as set forth in the SLA if County is unable to access County Data as a result of: (i) acts or omission of Service Provider; (ii) acts or omissions of third parties working on behalf of Service Provider; (iii) network compromise, network intrusion, hacks, introduction of viruses, disabling devices, malware and other forms of attack that can disrupt access to Service Provider's server, to the extent such attack would have been prevented by Service Provider taking reasonable industry standard precautions; (iv) power outages or other telecommunications or Internet failures, to the extent such outages were within Service Provider's direct or express control. If County Data monthly availability averages less than 99.5% (excluding agreed-upon maintenance downtime), for three (3) or more months in a rolling twelve-month period, County may terminate the contract for material breach in accordance with the Termination for Default provision in the General Provisions – Information Technology.

D. SaaS and SECURITY

D.1 Certification

Upon request, Service Provider shall certify:

- A.1.1** the sufficiency of its security standards, tools, technologies and procedures in providing SaaS under this Contract, and, if requested by County, provide a copy of its Statement on Standards for Attestation Engagements (SSAE) 18 Service Organization Control (SOC) 2 Type II audit results;
- A.1.2** its compliance with the California Information Practices Act (Civil Code Sections 1798 et seq.);
- A.1.3** its compliance with privacy provisions of the Federal Privacy Act of 1974; and
- A.1.4** its compliance with applicable industry standards and guidelines, including but not limited to relevant security provisions of the Payment Card Industry (PCI) Data Security Standard (PCIDSS) including the PCI/DSS Cloud Computing Guidelines.

D.2 Safeguards

Service Provider shall implement and maintain all appropriate administrative, physical, technical and procedural safeguards in accordance with section D.1.a above at all times during the term of this Contract to secure County Data from Data Breach, protect County Data and the SaaS from hacks, introduction of viruses, disabling devices, malware and other forms of malicious or inadvertent acts that can disrupt and/or compromise County's access to County Data.

D.3 High-Availability and Redundancy

Service Provider shall have a high-availability and a redundant environment, where the minimum requirements are:

- D.3.1** Power and/or generators shall be 2N
- D.3.2** UPS power shall be 2N
- D.3.3** Redundant servers shall be N+1
- D.3.4** Data center shall be Tier-2
- D.3.5** Data center cooling shall be 2N
- D.3.6** All UPS's and Generators must be tested and inspected on a quarterly basis.
- D.3.7** Data center cooling must have preventative maintenance performed quarterly.
- D.3.8** Contractor will provide CISO (including Auditor-Controller/Treasurer/Tax Collector) annually, the ability to review, in a secure manner, facilitated by Contractor, the SOC II Type II reports from Contractor's data centers.

D.4 Physical

Service Provider shall have a reasonable physical security environment, where the minimum requirements are:

- D.4.1** Physical access to facility, data center(s), and/or server room(s) is restricted using an access control system that utilizes iCLASS SE or multiclass SE readers.
- D.4.2** Access control system must be capable of restricting access by time of day and groups
- D.4.3** Access control system must be auditable
- D.4.4** Access control system components and batteries must be inspected annually.
- D.4.5** Access control system batteries must be replaced every 3 years or when they fail
- D.4.6** Access control history must be retained for a minimum of 3 years or as required by law
- D.4.7** Alerts are generated when physical security has been breached by the access control system or intrusion detection system
- D.4.8** Intrusion detection systems must be monitored by a third-party UL central station
- D.4.9** Intrusion detection systems must be inspected and tested quarterly with signals sent to the central station. Testing reports must be retained for 3.
- D.4.10** Intrusion detection batteries must be inspected annually and replaced every 3 years or when they fail.
- D.4.11** Facility, data center(s), and server room(s) have an appropriate Video Surveillance System in-place for surveillance.
- D.4.12** Video surveillance system must have the capability to interface with the access control system and intrusion detection system
- D.4.13** Video surveillance system must be inspected quarterly to make sure cameras are recording and video is being archived
- D.4.14** Video surveillance system must archive video as per California Government Sections § 26202.6, § 34090.6 and § 53160
- D.4.15** All access control systems, intrusion detection systems and video surveillance systems must be on the facilities emergency power system and protected by UPS.
- D.4.16** Data centers have protections in-place that minimize environmental issues such as temperature, fire, smoke, water, dust, electrical supply interference, and electromagnetic radiation.
- D.4.17** A chemical fire suppression system installed in the data center as per NFPA 2001.

- D.4.18** The chemical fire suppression system must be inspected semiannually as per NFPA 2001 §8.3
- D.4.19** Smoke detectors under the raised floors.
- D.4.20** Water detection system under the raised floors and above the ceiling.
- D.4.21** Facility must be protected 100% by an automatic fire sprinkler system with the data center being protected with an automatic pre-action fire sprinkler system.
- D.4.22** Facility automatic fire alarm system must be tested and inspected as per NFPA 25

D.5 Verification

Upon request, Service Provider shall provide a Statement on Standards for Attestation Engagements 16 (SSAE16) Service Organization Controls Report SOC 2 Type II Report (or equivalent, such as StateRAMP) on an annual basis. Based on the report(s), its findings and remediation planned or accomplished shall be provided to the County CISO in terms of an attestation letter. Service Provider shall also provide statistics specific to SaaS environment on a mutually agreed upon frequency with County that includes without limitation to performance, information security, network, and other pertinent SaaS data related to the Contract, at no cost to County.

D.6 Security

Service Provider assumes responsibility for the security and confidentiality, integrity, and availability of County Data under its control. No County Data shall be copied, modified, destroyed or deleted by Service Provider other than for normal operation or maintenance of SaaS during the Contract period without prior written notice to and written approval by CISO. When data is destroyed or disposed, it shall be in accordance with the National Institute of Standards of Technology (NIST) Special Publication 800-88 published by the U.S. Department of Commerce. The incorporation of the Defense of Department (DoD) standard 5220.2-M wipe method shall be used when using data destruction programs, file shredders, etc. To the extent Contractor staff access County Data in the System from outside the CONUS, Contractor warrants that such staff access will be done via secure remote access capability (e.g. VPN), on a cyber hygiene protected workstation or laptop owned by Contractor, and with use of multi-factor authentication. Any other remote access to County Data from outside the CONUS is prohibited unless approved in advance by the CISO.

E. ENCRYPTION

In order to provide reasonable security to County Data, cloud service data centers should encrypt all County Data while in route to and from the Service Provider (in motion) using secure transfer methods (e.g., Secure Sockets Layer, Transport Layer Security), and while stored in the datacenter (at rest)

E.1 Data In Motion

All transmitted County Data require encryption in accordance with:

- E.1.1** NIST Special Publication 800-52 Guidelines for the Selection and Use of Transport Layer Security Implementations; and
- E.1.2** NIST Special Publication 800-57 Recommendation for Key Management - Part 3: Application-Specific
- E.1.3** Key Management Guidance; and
- E.1.4** Secure Sockets Layer (SSL) is minimally required with minimum cipher strength of 128-bit.

E.2 Data At Rest

All County Data at rest require encryption in accordance with:

- E.2.1** Federal Information Processing Standard Publication (FIPS) 140-2; and
- E.2.2** National Institute of Standards and Technology (NIST) Special Publication 800-57 Recommendation for Key Management - Part 1: General (Revision 3); and
- E.2.3** NIST Special Publication 800-57 Recommendation for Key Management - Part 2: Best Practices for

E.2.4 Key Management Organization; and

E.2.5 NIST Special Publication 800-111 Guide to Storage Encryption Technologies for End User Devices.

E.2.6 Advanced Encryption Standard (AES) with cipher strength of 256-bit is minimally required.

F. DATA LOCATION

Unless otherwise stated in the Statement of Work and approved in advance by the CISO, the physical location of Service Provider's data center where County Data is stored shall be within the CONUS, and County Data shall not be transmitted, processed or stored outside of CONUS

G. RIGHTS TO DATA

The parties agree that as between them, all rights, including all intellectual property rights, in and to County Data shall remain the exclusive property of County, and Service Provider has a limited, non-exclusive license to access and use County Data as provided to Service Provider solely for performing its obligations under the Contract. Nothing herein shall be construed to confer any license or right to County Data, including user tracking and exception County Data within the system, by implication, estoppel or otherwise, under copyright or other intellectual property rights, to any third party. Unauthorized use of County Data by Service Provider or third parties is prohibited. For the purposes of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by the service, for unrelated commercial purposes, advertising or advertising-related purposes, or for any other purpose other than security or service delivery analysis that is not explicitly authorized

H. TRANSITION PERIOD

For ninety (90) days prior to the expiration date of this Contract, or upon notice of termination of this Contract, Service Provider shall assist County in extracting and/or transitioning all County Data in the format mutually determined by the parties ("Transition Period"). The Transition Period may be modified in the SOW or as agreed upon in writing by the parties in a contract amendment. During the Transition Period, SaaS and County Data access shall continue to be made available to County without alteration. Service Provider agrees to compensate County for damages or losses County incurs as a result of Service Provider's failure to comply with this section. Unless otherwise stated in the SOW, the Service Provider shall permanently destroy or render inaccessible any portion of County Data in Service Provider's and/or subcontractor's possession or control following the expiration of all obligations in this section. Within thirty (30) days, Service Provider shall issue a written statement to County confirming the destruction or inaccessibility of County Data. County at its option, may purchase additional transition services as agreed upon in the SOW

I. DATA BREACH

I.1 Notification

Upon discovery or reasonable belief of any Data Breach, Service Provider shall notify the CISO by the fastest means available and in writing to the County Notices contact within twenty-four (24) hours after Service Provider reasonably believes a Data Breach has occurred. At a minimum, the notification shall include:

I.1.1 the nature of the Data Breach;

I.1.2 County Data accessed, used or disclosed;

I.1.3 any evidence of County Data extricated;

I.1.4 the identity of the person(s) who accessed, used, disclosed and/or received County Data (if known);

I.1.5 the law enforcement agency(ies) contacted; and

I.1.6 actions taken or will be taken to quarantine and mitigate the Data Breach; and

I.1.7 corrective action taken or will be taken to prevent future Data Breaches.

I.2 Investigation

Service Provider shall conduct an investigation of the Data Breach and shall share the report of the

investigation with the CISO. If required by law, County and/or its authorized agents shall have the right to lead or participate in the investigation, in its sole discretion. Service Provider shall cooperate fully with County, its agents and law enforcement.

I.3 Post-Breach Audit

Upon advance written request, Service Provider agrees that the County or its designated representative shall have access to Service Provider's SaaS, operational documentation, records and databases, including online inspection, that relate to the SaaS that experienced the Data Breach. The online inspection shall allow the County, its authorized agents, or a mutually acceptable third-party to test that controls are in-place and working as intended. Tests may include, but not be limited to, the following:

- I.3.1** Operating system/network vulnerability scans,
- I.3.2** Web application vulnerability scans,
- I.3.3** Database application vulnerability scans, and
- I.3.4** Any other scans to be performed by the County or representatives on behalf of the County.

J. DISASTER RECOVERY AND BUSINESS CONTINUITY

J.1 Notification

In the event of disaster or catastrophic failure that results in significant loss of County Data or access to County Data, Service Provider shall notify County by the fastest means available and in writing, with additional notification provided to the CISO. Service Provider shall provide such notification within twenty-four (24) hours after Service Provider reasonably believes there has been such a disaster or catastrophic failure. In the notification, Contactor shall inform County of:

- J.1.1** the scale and quantity of County Data loss;
- J.1.2** Service Provider's action plan to recover County Data and mitigate the results of County Data loss; and
- J.1.3** Service Provider's corrective action plan to prevent future County Data loss.

J.2 Restore and Repair Service

Service Provider shall:

- J.2.1** restore continuity of SaaS,
- J.2.2** restore County Data in accordance with the RPO and RTO as set forth in the SLA,
- J.2.3** restore accessibility of County Data, and
- J.2.4** repair SaaS as needed to meet the performance requirements stated in the SLA.

J.3 Investigation and Audit

Service Provider shall conduct an investigation of the disaster or catastrophic failure and shall share the report of the investigation with County. At its sole expense, Service Provider will have an independent, industry-recognized, third party perform an information security audit. Within five (5) business days of Service Provider's receipt of the final report, Service Provider will provide the County with a copy of the report and a written remediation plan.

[END OF CLOUD SERVICES TERMS]

EXHIBIT C-1
SERVICE LEVEL AGREEMENT

Availability Standards

System, server, and network availability percentage guarantees are exclusive of scheduled maintenance times identified below.

2. System Availability

The System is normally available twenty-four (24) hours per day and seven (7) days per week.

The System shall be available and functioning for use as described in this Contract 99.5% of the time as measured on an annual basis, measured as the twelve (12) months beginning each year on the anniversary date of the go-live as described in Exhibit A-1, Statement of Work. So long as the System is available over the Internet to at least some third parties (i.e., the System is functioning properly and there are no technical issues with Contractor's or its Internet service provider's hardware or software), any inability on the part of County or third party users to access the System as a result of a general Internet outage, the County's Internet outage or the third party user's Internet outage, will not be counted toward any unavailability time period. System Maintenance, as provided below, will not be counted toward any unavailability time period. An outage by Contractor's external payment system providers will not be counted toward any unavailability period, provided that only Electronic Payment Services are affected, and the rest of the System is functioning normally.

3. System Maintenance

Notwithstanding the foregoing, maintenance downtime (i.e., taking the System offline such that it is not accessible to the County or third-party users) may be scheduled to occur between Midnight (12:00 a.m.) through 5:00 a.m., Pacific Time daily on weekdays, excluding nationally recognized holidays, and Midnight through 8:00 a.m., Pacific Time on Saturday, Sunday or nationally recognized holidays ("Daily Maintenance Window"). Contractor may from time to time also schedule other maintenance to occur outside of the Daily Maintenance Window, but such scheduled maintenance would still occur outside of normal Business Hours.

Contractor will provide the County with at least 24 hours prior notice of any maintenance requiring the System to be taken offline. During the Daily Maintenance Window, Contractor may perform, without any notice to County, routine maintenance operations that do not require the System to be taken offline, but which may have the effect of degrading System performance and response time. Such degradation in performance and response time shall not be deemed a breach of any obligation hereunder.

4. Priority of Events

"Event" means an incident whereby the System is either not working or its operation is inconsistent with the specifications set forth in Exhibit A-1, Statement of Work. Events are divided into categories, Priority 1, 2, and 3 as further defined below.

"Priority 1 - Critical Business Impact Event" means the impact of the reported defect is such that the County or third-party users are unable to either use the System or reasonably continue work using the System.

Contractor shall respond to the County within one (1) hour of notification. Contractor shall use commercially reasonable efforts to resolve or reduce to Priority 2 all Priority 1 Events within eight (8) hours after the Event

is logged.

"Priority 2 - Significant Business Impact Event" means important features of the System are not working properly. While other areas of the System may not be impacted, the reported defect has created a significant, negative impact on the County's productivity and/or service level.

Contractor shall maintain a response time goal of four (4) hours and shall use commercially reasonable efforts to resolve or reduce to Priority 3 all Priority 2 Events by the close of the next business day after notification.

"Priority 3 - Some Business Impact Event" means features of the System are not working properly. County impact is minimal loss of operational functionality, but the System can still operate. (Priority 3 Events do not include low urgency errors that can exist without impacting business operations. Contractor will make commercially reasonable efforts to address such errors, in light of their low urgency.)

Contractor shall maintain a response time goal of one (1) day and shall use commercially reasonable efforts to resolve the Event in a time period to be mutually agreed upon by both parties.

5. County Cooperation

Contractor's obligations in this Service Level Agreement are subject to the terms and conditions set forth in the Contract, including without limitation County's obligation to provide Contractor with information regarding any of the above-described Events, and the time frames set forth above may be suspended during any period in which Contractor is waiting for additional information from County.

[END OF CLOUD SERVICES TERM