

**City and County of San Francisco  
Office of Contract Administration  
Purchasing Division**

**Second Amendment**

THIS AMENDMENT (this “Amendment”) is made as of December 31, 2014, in San Francisco, California, by and between **WAUSAU Financial Systems, Inc., 875 Indianhead Drive, P.O. Box 37, Mosinee, WI 54455-0037** (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Director of the Office of Contract Administration.

**RECITALS**

WHEREAS, City and Contractor have entered into the Agreement (as defined below);  
and

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to amend the scope of work, increase the contract amount, and update standard contractual clauses;

NOW, THEREFORE, Contractor and the City agree as follows:

**1. Definitions.** The following definitions shall apply to this Amendment:

**a. Agreement.** The term “Agreement” shall mean the Agreement dated **June 27, 2011** between Contractor and City which is attached to this amendment and;

First Amendment,                      dated June 20, 2014,

**b. Contract Monitoring Division. Contract Monitoring Division.** Effective July 28, 2012, with the exception of Sections 14B.9(D) and 14B.17(F), all of the duties and functions of the Human Rights Commission under Chapter 14B of the Administrative Code (LBE Ordinance) were transferred to the City Administrator, Contract Monitoring Division (“CMD”). Wherever “Human Rights Commission” or “HRC” appears in the Agreement in reference to Chapter 14B of the Administrative Code or its implementing Rules and Regulations, it shall be construed to mean “Contract Monitoring Division” or “CMD” respectively.

**c. Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

**2. Modifications to the Agreement.** The Agreement is hereby modified as follows:

**a. Section 5. “Services Contractor Agrees to Perform”** of the Agreement currently reads as follows:

**5. Services Contractor Agrees to Perform.** Contractor agrees to perform the services provided for in Appendices A, A-1, A-2, A-3, B Amended, B-3, B-4, B-5, C and D attached hereto and incorporated by reference as though fully set forth herein.

**Such section is hereby amended in its entirety to read as follows:**

**5. Services Contractor Agrees to Perform.** Contractor agrees to perform the services provided for in Appendices A, A-1, A-2, A-3, A-4, B Amended, B-3, B-4, B-5, B-6, C and D attached hereto and incorporated by reference as though fully set forth herein.

b. **Section 16.** Section 16(a) "Payment; Compensation" of the Agreement currently reads as follows:

**16. Payment**

a. **Compensation.** The breakdown of costs associated with this Agreement appears in Appendices B Amended, B-1 Amended, B-2-Rev 3, B-3 and B-4, B-5 "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. Compensation for professional services performed by Contractor shall be made within thirty (30) days after an invoice has been submitted to City and the Treasurer concludes the services have been performed, in his or her reasonable discretion, in accordance with Appendices A, A-1 and A-2. Payments for maintenance of the System shall commence upon Live Use of the System, as defined in Section 16.b. below. In no event shall the amount of this Agreement exceed three million five hundred thousand dollars and no cents (**\$3,500,000.00**). No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the Treasurer as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement. In no event shall City be liable for interest or late charges for any late payments.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor's submission of CMD Progress Payment Form. If Progress Payment Form is not submitted with Contractor's invoice, the Controller will notify the department, the Director of CMD and Contractor of the omission. If Contractor's failure to provide CMD Progress Payment Form is not explained to the Controller's satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until CMD Progress Payment Form is provided. Following City's payment of an invoice, Contractor has ten days to file an affidavit using CMD Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

**Such section is hereby amended in its entirety to read as follows:**

**16. Payment**

WAUSAU Second Amendment P-550 (7-11)	2 of 7	<b>December 31, 2014</b>
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**a. Compensation.** The breakdown of costs associated with this Agreement appears in Appendices B Amended, B-1 Amended, B-2-Rev 3, B-3 and B-4, B-5 “Calculation of Charges,” attached hereto and incorporated by reference as though fully set forth herein. Compensation for professional services performed by Contractor shall be made within thirty (30) days after an invoice has been submitted to City and the Treasurer concludes the services have been performed, in his or her reasonable discretion, in accordance with Appendices A, A-1 and A-2. Payments for maintenance of the System shall commence upon Live Use of the System, as defined in Section 16.b. below. In no event shall the amount of this Agreement exceed three million six hundred thousand seventy nine hundred eighty five dollars and no cents (**\$3,670,985.00**). No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the Treasurer as being in accordance with this Agreement. City may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement. In no event shall City be liable for interest or late charges for any late payments.

The Controller is not authorized to pay invoices submitted by Contractor prior to Contractor’s submission of CMD Progress Payment Form. If Progress Payment Form is not submitted with Contractor’s invoice, the Controller will notify the department, the Director of CMD and Contractor of the omission. If Contractor’s failure to provide CMD Progress Payment Form is not explained to the Controller’s satisfaction, the Controller will withhold 20% of the payment due pursuant to that invoice until CMD Progress Payment Form is provided. Following City’s payment of an invoice, Contractor has ten days to file an affidavit using CMD Payment Affidavit verifying that all subcontractors have been paid and specifying the amount.

**c. Insurance.** Section 27. “Insurance” is hereby replaced in its entirety to read as follows:

**27. Insurance.**

a. Without in any way limiting Contractor’s liability pursuant to the “Indemnification” section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

- 1) Workers’ Compensation, in statutory amounts, with Employers’ Liability Limits not less than \$1,000,000 each accident, injury, or illness; and
- 2) Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and
- 3) Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence, “Combined Single Limit” for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

4) Professional liability insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with the Services.

5) Technology Errors and Omissions Liability coverage, with limits of \$1,000,000 each occurrence and each loss, and \$2,000,000 general aggregate. The policy shall at a minimum cover professional misconduct or lack of the requisite skill required for the performance of services defined in the contract and shall also provide coverage for the following risks:

(a) Liability arising from theft, dissemination, and/or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information or other personally identifying information, stored or transmitted in electronic form;

(b) Network security liability arising from the unauthorized access to, use of, or tampering with computers or computer systems, including hacker attacks; and

(c) Liability arising from the introduction of any form of malicious software including computer viruses into, or otherwise causing damage to the City's or third person's computer, computer system, network, or similar computer related property and the data, software, and programs thereon.

b. Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

1) Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees.

2) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

c. All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in the Section entitled "Notices to the Parties."

d. Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

e. Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

f. Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

g. If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

**2d. Replacing “Earned Income Credit (EIC) Forms” Section with “Consideration of Criminal History in Hiring and Employment Decisions” Section.** Section 45 “Earned Income Credit (EIC) Forms” is hereby replaced in its entirety to read as follows:

**45. Consideration of Criminal History in Hiring and Employment Decisions.**

a. Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T “City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions,” of the San Francisco Administrative Code (Chapter 12T), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at [www.sfgov.org/olse/fco](http://www.sfgov.org/olse/fco). A partial listing of some of Contractor’s obligations under Chapter 12T is set forth in this Section. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

b. The requirements of Chapter 12T shall only apply to a Contractor’s or Subcontractor’s operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, shall apply only when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco, and shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

c. Contractor shall incorporate by reference in all subcontracts the provisions of Chapter 12T, and shall require all subcontractors to comply with such provisions. Contractor’s failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

d. Contractor or Subcontractor shall not inquire about, require disclosure of, or if such information is received, base an Adverse Action on an applicant’s or potential applicant for employment’s, or employee’s: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.



e. Contractor or Subcontractor shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection 45(d), above. Contractor or Subcontractor shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

f. Contractor or Subcontractor shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment to be performed under this Agreement, that the Contractor or Subcontractor will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

g. Contractor and Subcontractors shall post the notice prepared by the Office of Labor Standards Enforcement (OLSE), available on OLSE's website, in a conspicuous place at every workplace, job site, or other location under the Contractor or Subcontractor's control at which work is being done or will be done in furtherance of the performance of this Agreement. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the workplace, job site, or other location at which it is posted.

h. Contractor understands and agrees that if it fails to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T, including but not limited to, a penalty of \$50 for a second violation and \$100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Agreement.

**e. Appendix A-4 - Scope of Work for Alarm Payments Platform Integration & Client Add**

**f. Appendix B-6 Calculation of Charges – Alarm Payments Platform Integration & Client Add**

**3. Effective Date.** Each of the modifications set forth in Section 2 shall be effective on and after **the date of this Amendment.**

**4. Legal Effect.** Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

**CITY**

**CONTRACTOR**

Recommended by:

**Wausau Financial Systems, Inc.**

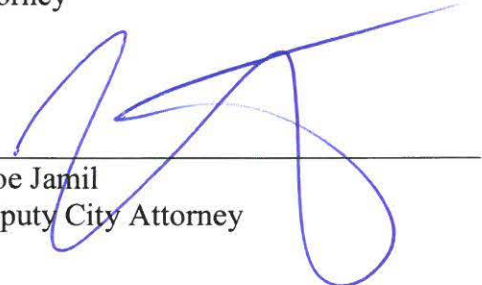
  
\_\_\_\_\_  
José Cisneros  
Treasurer-Tax Collector  
Office of the Treasurer-Tax Collector

  
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Jeff Penn  
Vice President of Contracts  
Wausau Financial Systems, Inc.  
875 Indianhead Drive  
Mosinee, WI 54455-0037


Approved as to Form:

City vendor number: 47821

Dennis J. Herrera  
City Attorney

By:   
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Moe Jamil  
Deputy City Attorney

Approved:

  
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*FOR* Jaci Fong  
Director of the Office of Contract  
Administration, and Purchaser

## Appendix A-4

### Scope of Work for Alarm Payments Platform Integration & Client Add

#### 1. Project Description

The City and County of San Francisco, Office of the Treasurer and Tax Collector has requested a new client setup to process Alarm Payments that will be coming from a new Alarm tax platform provided by APS Alarm Payments.

As part of this project, Contractor resources will create a new Client within the existing solution. A CSV file will be used to import the payments into ImageRPS<sup>®</sup>. A new Alarm Payment client will be created which will replace the existing Alarm Payments received in multiple clients. Name and Address database will be used and shared with iPayment interface and serve as a lookup against customer account numbers. Contractor, will be invoking Name and Address database from iPayment for manual entry and overwriting existing data. This will be similar to what is currently happening in production today. The new client will use IMS Inline Decisioning as part of this effort. Host files will also be created with the new client and will use a new file format layout from the existing payments received. Business rules are defined in the appendix.

#### 2. Project Deliverables

Contractor shall complete the following list of project deliverables within the time scheduled agreed upon pursuant to Section 6, Project Milestones, of this Appendix.

##### a. Software Implementation

- i) Contractor to setup and configure new client.
- ii) Contractor to setup and configure import program.
- iii) Contractor to setup and configure new client host files
- iv) Contractor to setup and configure Image RPS Inline Decisioning for new client.
- v) Contractor to setup and configure IMS Inline Decisioning for new client.
- vi) Contractor to set up and configure new IMS Keywords if applicable
- vii) Contractor to setup and deliver Correspondence Queue – One (1) Custom Query
- viii) Contractor to set up and deliver Reject Letter process.
- ix) Contractor to update custom reports which exist in current production (TTX CR Report, TTX Recon Report).
- x) Contractor to implement software to test and production
- xi) Contractor to provided testing and production support. Software Implementation

##### b. Custom Programming

- i) Contractor to setup and configure new client host files.



- ii) New Alarm client payments will be added to existing Reformatter reports will be displayed separately
- iii) Custom reports which exist in current production (TTX CR Report, TTX Recon Report).

**3. Testing, Training and Other Support**

a. Contractor shall modify authored Technical Specification document for support purposes.

1) This may include supplemental artifacts authored by Contractor as deemed necessary by the project team, with the supplemental artifact request and effort estimated and documented through the established Change Control process.

**4. City Roles & Responsibilities**

a. City will make available subject matter expert resources for each project phase and engagement team members to participate in the gathering of requirements prior to and during the scheduled onsite Discovery Meeting, as well as any remote Discovery-related meetings. This includes third party resources, APS, as well as the City internal resources.

b. City and, as needed, any contracted third-party vendors, including APS, will provide prior to and during the Discovery meeting complete and accurate technical specifications with the related business rules. Delayed delivery of the technical specifications and the business rules, as well as incomplete, implied, ambiguous, or conflicting technical specifications and business rules will impact the project schedule and will create Change Control.

c. City will provide samples of documents necessary for Discovery and for testing.

d. City will provide samples of report(s) and Host File(s) necessary for Discovery.

e. City will provide requested information and work with Contractor to develop the project schedule and any Change Orders needed.

f. City will create and execute a User Acceptance Test Plan (“UATP”) for all locations as well as any integration, regression, downstream (file/report validation) or other third-party testing. This UATP coupled with the Customer Requirements Document will be used by Contractor to test basic functionality/end-to-end testing before turning the system over to the City for UAT.

**5. Contractor’s Roles & Responsibilities**

a. Project Management. Contractor shall do the following:

1) Deliver and maintain project plan of activities and milestones

2) Track and manage resolution of project issues, distribute documentation of issue(s) resolution to City project team.

3) Monitor and control project scope, schedule and cost using Contractor Change Control process, if necessary.

i. Any activities and/or changes identified as requiring Change Control will require written approval from the City prior to the Change being executed by Contractor.

4) Facilitate regular status meetings

5) Facilitate City transition meeting to Contractor Customer Care

6) Provide periodic reporting of actual project time used, estimated time to completion, and comparison to estimate of effort as provided in this Statement of Work.

7) Management and oversight of contractor’s cashiering subcontractor within the Alarm Project.

**b. Requirements Gathering/Documentation**

1) Facilitate a remote conference call to determine customer system requirements and configuration specifications.

2) Contractor shall Customer Requirements Document/Solution Overview and review for City approval.

**6. Project Milestones**

Contractor and City will agree upon a mutually acceptable project timeline and incorporate it into the project schedule/plan, unless otherwise mutually agreed to by both parties.

Sequence	Milestone
1	Statement of Work signed by both parties.
2	Down payment received, if required per Order Agreement payment terms.
3	Order processed within WAUSAU
4	WAUSAU Delivery Services team assigned (WAUSAU Project Manager contacts the City within seven (7) business days.
5	Requirements gathering session facilitated by WAUSAU project team
6	Customer Requirements Document (CRD) created
7	Customer Requirements Document (CRD) reviewed with the City
8	Customer Requirements Document (CRD) revised by Wausau
9	Statement of Work (SOW) created by Wausau based on the Customer Requirements Document (CRD).
10	Customer Requirements Document (CRD) and Statement of Work (SOW) signed by the City and returned to WAUSAU. Requirements complete.
11	Contractor delivers changes in test environment
12	User Acceptance Testing lead by the City
13	Approval of UAT by the City
14	Project closure & knowledge transfer using the Customer Requirements

	Document (CRD), the Statement of Work (SOW), and any related Discovery artifacts.
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**7. Acceptance Criteria**

The acceptance of the System will be based on successful completion of the test plans and delivery of all items detailed in Project Deliverables section.

**Appendix B-6**  
**Calculation of Charges – Alarm Payments Platform Integration & Client Add**

In accordance with Section 16(a) (Compensation) of the Agreement, Contractor shall receive an amount not to exceed three million six hundred thousand seventy nine hundred eighty five dollars and no cents (**\$3,670,985.00**) under this agreement. The breakdown of charges for Appendix A-4 (Scope of Work for Alarm Payments Platform Integration & Client Add) is detailed below:

Contractor shall receive payment for Professional Services in an amount not to exceed \$170,985 for the Scope of work provided in Appendix A4. Professional Services will be fixed price and the Contractor shall be paid according to the following milestone schedule:

25%	Cash with Order	\$42,746
15%	CRD Acceptance	\$25,648
10%	User Acceptance Testing Available	\$17,099
40%	Production Live Use	\$68,394
10%	Delivery Acceptance	<u>\$17,098</u>
	<b>Subtotal</b>	<b>\$170,985</b>