

**City and County of San Francisco
Office of Contract Administration
Purchasing Division
City Hall, Room 430
1 Dr. Carlton B. Goodlett Place
San Francisco, California 94102-4685**

**Agreement between the City and County of San Francisco and
21Tech, LLC**

This Agreement is made this 18th day of June, 2013, in the City and County of San Francisco, State of California, by and between: 21Tech, LLC, 1390 Market Street, Suite 1202, San Francisco, California 94102, hereinafter referred to as "Contractor," and the City and County of San Francisco, a municipal corporation, hereinafter referred to as "City," acting by and through its Director of the Office of Contract Administration or the Director's designated agent, hereinafter referred to as "Purchasing."

Recitals

WHEREAS, the Office of the Treasurer & Tax Collector ("Department") wishes to configure online tax forms, document business processes for Gross Receipts and Business Tax; and,

WHEREAS, Contractor represents and warrants that it is qualified to perform the services required by City as set forth under this Contract; and,

WHEREAS, approval for this Agreement was obtained when the Civil Service Commission approved Contract number **4083-12/13** on **March 18, 2013**;

Now, THEREFORE, the parties agree as follows:

1. Certification of Funds; Budget and Fiscal Provisions; Termination in the Event of Non-Appropriation. This Agreement is subject to the budget and fiscal provisions of the City's Charter. Charges will accrue only after prior written authorization certified by the Controller, and the amount of City's obligation hereunder shall not at any time exceed the amount certified for the purpose and period stated in such advance authorization. This Agreement will terminate without penalty, liability or expense of any kind to City at the end of any fiscal year if funds are not appropriated for the next succeeding fiscal year. If funds are appropriated for a portion of the fiscal year, this Agreement will terminate, without penalty, liability or expense of any kind at the end of the term for which funds are appropriated. City has no obligation to make appropriations for this Agreement in lieu of appropriations for new or other agreements. City budget decisions are subject to the discretion of the Mayor and the Board of Supervisors. Contractor's assumption of risk of possible non-appropriation is part of the consideration for this Agreement.

THIS SECTION CONTROLS AGAINST ANY AND ALL OTHER PROVISIONS OF THIS AGREEMENT.

2. Term of the Agreement. Subject to Section 1, the term of this Agreement shall be from **May 31, 2013** to **June 30, 2018**.

3. Effective Date of Agreement. This Agreement shall become effective when the Controller has certified to the availability of funds and Contractor has been notified in writing.

4. **Services Contractor Agrees to Perform.** The Contractor agrees to perform the services provided for in Appendix A, "Description of Services," attached hereto and incorporated by reference as though fully set forth herein.

5. **Compensation.** Compensation shall be made according to payment schedule identified in the Statement of Work executed between City and Contractor, according to the billing events schedule described in Appendix A, as set forth in Section 4 of this Agreement that Treasurer, or his or her authorized representative, in his or her sole discretion, concludes has been performed. Sign-off of a deliverable by the Treasurer's authorized representative or use of any material produced as part of a deliverable in the implementation process or use in production is considered acceptance of that deliverable and obligates the City to pay for that deliverable when accompanied by an accompanying Contractor invoice. Each key deliverable will require a sign-off by the client manager on the project. The sign-off process should not take more than 5 business days without an acceptable reason for delay. The City will make a good faith attempt to pay all invoices within 30 days of billing. However, in no event shall City be liable for interest or late charges for any late payments made after such 30 days period. In no event shall the amount of this Agreement exceed **\$1,787,120**. The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein. 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 Office of the Treasurer & Tax Collector** 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.

If City is more than 60 days in arrears on its payment obligation to Contractor, and Contractor has notified the City in writing after the City is more than 30 days in arrears on that payment obligation, Contractor may suspend Services hereunder until such time as City is current on its payment obligations.

6. **Guaranteed Maximum Costs.** The City's obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification. Except as may be provided by laws governing emergency procedures, officers and employees of the City are not authorized to request, and the City is not required to reimburse the Contractor for, Commodities or Services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law. Officers and employees of the City are not authorized to offer or promise, nor is the City required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller. The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

7. **Payment; Invoice Format.** Invoices furnished by Contractor under this Agreement must be in a form acceptable to the Controller, and must include a unique invoice number. All amounts paid by City to Contractor shall be subject to audit by City. Payment shall be made by City to Contractor at the address specified in the section entitled "Notices to the Parties."

8. Submitting False Claims; Monetary Penalties. Pursuant to San Francisco Administrative Code §21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. The text of Section 21.35, along with the entire San Francisco Administrative Code is available on the web at <http://www.municode.com/Library/clientCodePage.aspx?clientID=4201>. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

9. Left Blank by Agreement of Parties. (Disallowance)

10. Taxes

a. Payment of any taxes, including possessory interest taxes and California sales and use taxes, levied upon or as a result of this Agreement, or the services delivered pursuant hereto, shall be the obligation of Contractor.

b. Contractor recognizes and understands that this Agreement may create a “possessory interest” for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

1) Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest;

2) Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a “change in ownership” for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code section 480.5, as amended from time to time, and any successor provision.

3) Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code section 64, as amended from time to time). Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

4) Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

11. Payment Does Not Imply Acceptance of Work. The granting of any payment by City, or the receipt thereof by Contractor, shall in no way lessen the liability of Contractor to replace unsatisfactory work, equipment, or materials, although the unsatisfactory character of such work, equipment or materials may not have been apparent or detected at the time such payment was made. Materials, equipment, components, or workmanship that do not conform to the requirements of this Agreement may be rejected by City and in such case must be replaced by Contractor without delay.

12. Qualified Personnel. Work under this Agreement shall be performed only by competent personnel under the supervision of and in the employment of Contractor. Contractor will comply with City's reasonable requests regarding assignment of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to complete the project within the project schedule specified in this Agreement.

13. Responsibility for Equipment. City shall not be responsible for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or by any of its employees, even though such equipment be furnished, rented or loaned to Contractor by City.

14. Independent Contractor; Payment of Taxes and Other Expenses

a. **Independent Contractor.** Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement.

b. **Payment of Taxes and Other Expenses.** Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange

with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to the preceding two paragraphs shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, should any court, arbitrator, or administrative authority determine that Contractor is an employee for any other purpose, then Contractor agrees to a reduction in City's financial liability so that City's total expenses under this Agreement are not greater than they would have been had the court, arbitrator, or administrative authority determined that Contractor was not an employee.

15. 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 Combined Single Limit 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 professional services to be provided under this Agreement.

b. Commercial General 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. Regarding Workers' Compensation, Contractor hereby agrees to waive subrogation which any insurer of Contractor may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

d. Contractor shall provide thirty days' advance written notice to the City of reduction or nonrenewal of coverages or cancellation of coverages for any reason. Notices shall be sent to the City address in the "Notices to the Parties" section.

e. 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.

f. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

g. 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.

h. Before commencing any operations under this Agreement, 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. Failure to maintain insurance shall constitute a material breach of this Agreement.

i. Approval of the insurance by City shall not relieve or decrease the liability of Contractor hereunder.

j. If a subcontractor will be used to complete any portion of this agreement, the Contractor shall ensure that the subcontractor shall provide all necessary insurance and shall name the City and County of San Francisco, its officers, agents and employees and the Contractor listed as additional insureds.

k. Any of the terms of conditions of this Section 15 may be waived by the City's Risk Manager in writing, and attached to this Agreement as Appendix C. Such waiver is fully incorporated herein. The waiver shall waive only the requirements that are expressly identified and waived, and under such terms and conditions as stated in the waiver.

16. Indemnification.

Contractor shall indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims thereof for injury to or death of a person, including employees of Contractor or loss of or damage to property, arising directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Agreement, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City. In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent,

which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter. Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons in consequence of the use by City, or any of its officers or agents, of articles or services to be supplied in the performance of this Agreement.

17. Incidental and Consequential Damages. Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions, not to exceed the value of this Agreement. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

18. Liability of City. CITY'S PAYMENT OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENT OF THE COMPENSATION PROVIDED FOR IN SECTION 5 OF THIS AGREEMENT. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

To the extent not offset by its insurance coverage and to the maximum extent permitted by applicable laws, in no event shall the Contractor's cumulative liability for any general, incidental, special, compensatory, or punitive damages whatsoever suffered by City or any other person or entity arising out of or in connection with the anticipated Services under this Agreement shall exceed the fees paid to Contractor on this Contract by City during the twelve (12) calendar months immediately preceding the circumstances which give rise to such claim(s) of liability, even if Contractor or its agents have been advised of the possibility of such damages.

19. Left Blank by Agreement of the Parties. (Liquidated Damages)

20. Default; Remedies

a. Each of the following shall constitute an event of default ("Event of Default") under this Agreement:

1) Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement:

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| 8. Submitting False Claims; Monetary Penalties. | 37. Drug-free workplace policy |
| 10. Taxes | 53. Compliance with laws |
| 15. Insurance | 55. Supervision of minors |
| 24. Proprietary or confidential information of City | 57. Protection of private information |
| 30. Assignment | 58. Graffiti removal |

2) Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, and such default continues for a period of ten days after written notice thereof from City to Contractor.

3) Contractor (a) is generally not paying its debts as they become due, (b) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take

advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (c) makes an assignment for the benefit of its creditors, (d) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of Contractor's property or (e) takes action for the purpose of any of the foregoing.

4) A court or government authority enters an order (a) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (b) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (c) ordering the dissolution, winding-up or liquidation of Contractor.

b. On and after any Event of Default, City shall notify Contractor in writing of the specific Event of Default and Contractor shall have 30 days to cure any Event of Default. If Contractor fails to properly cure the specific Event of Default within the 30 days cure period, then the City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default. Contractor shall immediately pay to City on demand all costs and expenses incurred by City in effecting such cure. Upon termination of this Agreement as a result of such Event of Default, the City shall pay the Contractor for any services completed under the Agreement up to the effective date of such termination within 30 days. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor all damages, losses, costs or expenses incurred by City as a result of such Event of Default and any liquidated damages due from Contractor pursuant to the terms of this Agreement or any other agreement.

c. All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

21. Termination for Convenience

City shall have the option, in its sole discretion, to terminate this Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor no less 30 days advance written notice of termination. The notice shall specify the date on which termination shall become effective. Upon such termination, the City shall pay any and all outstanding obligations to the Contractor under the Agreement up to the effective date of termination for any services completed. In addition, the City shall also pay for any deliverables that have been signed off and any deliverables in process based on their percentage completed according to the project plan prior to the effective date of termination under this section 20.

a. Upon receipt of the notice, Contractor shall commence and perform, with diligence, all actions necessary on the part of Contractor to effect the termination of this Agreement on the date specified by City and to minimize the liability of Contractor and City to third parties as a result of termination. All such actions shall be subject to the prior approval of City. Such actions shall include, without limitation:

- 1) Halting the performance of all services and other work under this Agreement on the date(s) and in the manner specified by City.
- 2) Not placing any further orders or subcontracts for materials, services, equipment or other items.
- 3) Terminating all existing orders and subcontracts.
- 4) At City's direction, use best efforts in assigning to City any or all of Contractor's right, title, and interest under the orders and subcontracts terminated.
- 5) Subject to City's approval, settling all outstanding liabilities and all claims arising out of the termination of orders and subcontracts.
- 6) Completing performance of any services or work that City designates to be completed prior to the date of termination specified by City.
- 7) Taking such action as may be necessary, or as the City may direct, for the protection and preservation of any property related to this Agreement which is in the possession of Contractor and in which City has or may acquire an interest.

b. Within 30 days after the specified termination date, Contractor shall submit to City an invoice, which shall set forth each of the following as a separate line item:

- 1) The reasonable cost to Contractor, without profit, for all services and other work City directed Contractor to perform prior to the specified termination date, for which services or work City has not already tendered payment. Reasonable costs may include a reasonable allowance for actual overhead, not to exceed a total of 10% of Contractor's direct costs for services or other work. Any overhead allowance shall be separately itemized. Contractor may also recover the reasonable cost of preparing the invoice.
- 2) A reasonable allowance for profit on the cost of the services and other work described in the immediately preceding subsection (1), provided that Contractor can establish, to the satisfaction of City, that Contractor would have made a profit had all services and other work under this Agreement been completed, and provided further, that the profit allowed shall in no event exceed 5% of such cost.
- 3) The reasonable cost to Contractor of handling material or equipment returned to the vendor, delivered to the City or otherwise disposed of as directed by the City.
- 4) A deduction for the cost of materials to be retained by Contractor, amounts realized from the sale of materials and not otherwise recovered by or credited to City, and any other appropriate credits to City against the cost of the services or other work.

c. In no event shall City be liable for costs incurred by Contractor or any of its subcontractors after the termination date specified by City, except for those costs specifically enumerated and described in the immediately preceding subsection (c). Such non-recoverable costs include, but are not limited to, anticipated profits on this Agreement, post-termination employee salaries, post-termination administrative expenses, post-termination overhead or unabsorbed overhead, attorneys' fees or other costs relating to the prosecution of a claim or lawsuit, prejudgment interest, or any other expense which is not reasonable or authorized under such subsection (c).

d. In arriving at the amount due to Contractor under this Section, City may deduct: (1) all payments previously made by City for work or other services covered by Contractor's final invoice; (2) any claim which City may have against Contractor in connection with this Agreement; (3) any invoiced costs or expenses excluded pursuant to the immediately preceding subsection (d); and (4) in instances in which, in the opinion of the City, the cost of any service or other work performed under this Agreement is excessively high due to costs incurred to remedy or replace defective or rejected services or other work, the difference between the invoiced amount and City's estimate of the reasonable cost of performing the invoiced services or other work in compliance with the requirements of this Agreement.

e. City's payment obligation under this Section shall survive termination of this Agreement.

22. Rights and Duties upon Termination or Expiration

This Section and the following Sections of this Agreement shall survive termination or expiration of this Agreement:

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| 8. Submitting false claims | 24. Proprietary or confidential information of City |
| 9. Disallowance | 26. Ownership of Results |
| 10. Taxes | 27. Works for Hire |
| 11. Payment does not imply acceptance of work | 28. Audit and Inspection of Records |
| 13. Responsibility for equipment | 48. Modification of Agreement. |
| 14. Independent Contractor; Payment of Taxes and Other Expenses | 49. Administrative Remedy for Agreement Interpretation. |
| 15. Insurance | 50. Agreement Made in California; Venue |
| 16. Indemnification | 51. Construction |
| 17. Incidental and Consequential Damages | 52. Entire Agreement |
| 18. Liability of City | 56. Severability |
| | 57. Protection of private information |

Subject to the immediately preceding sentence, upon termination of this Agreement prior to expiration of the term specified in Section 2, this Agreement shall terminate and be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City. This subsection shall survive termination of this Agreement.

23. Conflict of Interest. Through its execution of this Agreement, Contractor acknowledges that it is familiar with the provision of Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

24. Proprietary or Confidential Information.

a. **Of the City.** Contractor understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

b. **Of the Contractor.** The City acknowledges that in the course of this Agreement the City will be given access to information and materials which are owned by the Contractor, its parent company, subsidiaries, or affiliates, and/or owned by third parties and in the possession of or licensed to the Contractor, and which constitute confidential and proprietary information belonging to the Contractor, its parent company, subsidiaries, or affiliates and/or third parties (hereinafter referred to as "Confidential Information").

The Parties agree that Proprietary Information shall be clearly marked as "Confidential" by the Contractor, and shall not include (a) information that is in the public domain through no violation of this Agreement or any other confidentiality obligation known to the City; (b) information that the City can demonstrate was already in its possession and was not acquired, directly or indirectly, from the Contractor, on a confidential basis; or (c) information that is independently developed by the City without use of or reference to the Proprietary Information.

The City agrees to maintain the confidentiality of the information provided by the Contractor as permitted by and in accordance with the law. Except in limited circumstances, the City is prohibited from disclosing the business affairs, operations or information obtained by an investigation of records of any person visited or examined in the discharge of his official duty. (San Francisco Business and Tax Regulations Code §6.22-1) In the event any third party seeks the data, the City will assert that the data is confidential as permitted by and in accordance with the law and will provide notice to the Contractor in order to permit the Contractor to intervene to protect the confidentiality of the data.

Nothing in this agreement should be construed to limit the right of the City to obtain the data to which it is entitled under law, nor is the City waiving the right to pursue access to data to which it is entitled in the future.

25. Notices to the Parties. Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To City: **Office of the Treasurer & Tax Collector**
ATTN: Tajel Shah, Deputy Director
City Hall Room 140
1 Dr. Carlton B. Goodlett Pl
San Francisco, CA 94102
Tajel.shah@sfgov.org

To Contractor: 21Tech, LLC
Attn: Azhar Mahmood
1390 Market Street, Suite 1202

San Francisco, CA 94102
Email: contracts@21tech.com

Any notice of default must be sent by registered mail.

26. Ownership of Results.

Any interest of Contractor or its Subcontractors, in drawings, plans, specifications, blueprints, studies, reports, memoranda, computation sheets, computer files and media or other documents prepared by Contractor or its subcontractors in connection with services to be performed under this Agreement that utilize City business processes or data, shall become the property of and will be transmitted to City. However, Contractor may retain the rights to any results that do not utilize City business processes or data and use copies for any purpose.

27. Left Blank by Agreement of the Parties. (Works for Hire)

28. Audit and Inspection of Records. Contractor agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its work under this Agreement. Contractor will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, payrolls, records or personnel and other data related to all other matters covered by this Agreement, whether funded in whole or in part under this Agreement. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until after final audit has been resolved, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Agreement shall have the same rights conferred upon City by this Section.

29. Subcontracting. Contractor is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is first approved by City in writing. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. An agreement made in violation of this provision shall confer no rights on any party and shall be null and void.

30. Assignment. The services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations hereunder may be assigned or delegated by the Contractor unless first approved by City by written instrument executed and approved in the same manner as this Agreement. Such approval shall not be withheld unreasonably.

31. Non-Waiver of Rights. The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

32. Earned Income Credit (EIC) Forms. Administrative Code section 12O requires that employers provide their employees with IRS Form W-5 (The Earned Income Credit Advance Payment Certificate) and the IRS EIC Schedule, as set forth below. Employers can locate these forms at the IRS Office, on the Internet, or anywhere that Federal Tax Forms can be found. Contractor shall provide EIC Forms to each Eligible Employee at each of the following times: (i) within thirty days following the date on which this Agreement becomes effective (unless Contractor has already provided such EIC Forms at least once during the calendar year in which such effective date falls); (ii) promptly after any Eligible Employee is hired by Contractor; and

(iii) annually between January 1 and January 31 of each calendar year during the term of this Agreement. Failure to comply with any requirement contained in subparagraph (a) of this Section shall constitute a material breach by Contractor of the terms of this Agreement. If, within thirty days after Contractor receives written notice of such a breach, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of thirty days, Contractor fails to commence efforts to cure within such period or thereafter fails to diligently pursue such cure to completion, the City may pursue any rights or remedies available under this Agreement or under applicable law. Any Subcontract entered into by Contractor shall require the subcontractor to comply, as to the subcontractor's Eligible Employees, with each of the terms of this section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Section 12O of the San Francisco Administrative Code.

33. Local Business Enterprise Utilization; Liquidated Damages

a. **The LBE Ordinance.** Contractor, shall comply with all the requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase Contractor's obligations or liabilities, or materially diminish Contractor's rights, under this Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Agreement as though fully set forth in this section. Contractor's willful failure to comply with any applicable provisions of the LBE Ordinance is a material breach of Contractor's obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the LBE Ordinance or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, Contractor shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

34. Nondiscrimination; Penalties

a. **Contractor Shall Not Discriminate.** In the performance of this Agreement, Contractor agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

b. **Subcontracts.** Contractor shall incorporate by reference in all subcontracts the provisions of §§12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which are available from Purchasing) 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.

c. **Nondiscrimination in Benefits.** Contractor does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere in the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in §12B.2(b) of the San Francisco Administrative Code.

d. **Condition to Contract.** As a condition to this Agreement, Contractor shall execute the “Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits” form (form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

e. **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to §§12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Contractor and/or deducted from any payments due Contractor.

35. MacBride Principles—Northern Ireland. Pursuant to San Francisco Administrative Code §12F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Contractor acknowledges and agrees that he or she has read and understood this section.

36. Tropical Hardwood and Virgin Redwood Ban. Pursuant to §804(b) of the San Francisco Environment Code, the City and County of San Francisco urges contractors not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

37. Drug-Free Workplace Policy. Contractor acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. Contractor agrees that any violation of this prohibition by Contractor, its employees, agents or assigns will be deemed a material breach of this Agreement.

38. Resource Conservation. Chapter 5 of the San Francisco Environment Code (“Resource Conservation”) is incorporated herein by reference. Failure by Contractor to comply with any of the applicable requirements of Chapter 5 will be deemed a material breach of contract.

39. Compliance with Americans with Disabilities Act. Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Contractor shall provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Contractor agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Agreement.

40. Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors' bids, responses to solicitations and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

41. Public Access to Meetings and Records. If the Contractor receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, Contractor shall comply with and be bound by all the applicable provisions of that Chapter. By executing this Agreement, the Contractor agrees to open its meetings and records to the public in the manner set forth in §§12L.4 and 12L.5 of the Administrative Code. Contractor further agrees to make-good faith efforts to promote community membership on its Board of Directors in the manner set forth in §12L.6 of the Administrative Code. The Contractor acknowledges that its material failure to comply with any of the provisions of this paragraph shall constitute a material breach of this Agreement. The Contractor further acknowledges that such material breach of the Agreement shall be grounds for the City to terminate and/or not renew the Agreement, partially or in its entirety.

42. Limitations on Contributions. Through execution of this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and

chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Contractor further agrees to provide to City the names of each person, entity or committee described above.

43. Requiring Minimum Compensation for Covered Employees

a. Contractor agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Sections 12P.5 and 12P.5.1 of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at www.sfgov.org/olse/mco. A partial listing of some of Contractor's obligations under the MCO is set forth in this Section. Contractor is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

b. The MCO requires Contractor to pay Contractor's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Contractor is obligated to keep informed of the then-current requirements. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Contractor's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Contractor.

c. Contractor shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

d. Contractor shall maintain employee and payroll records as required by the MCO. If Contractor fails to do so, it shall be presumed that the Contractor paid no more than the minimum wage required under State law.

e. The City is authorized to inspect Contractor's job sites and conduct interviews with employees and conduct audits of Contractor

f. Contractor's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Contractor fails to comply with these requirements. Contractor agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Contractor's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

g. Contractor understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under

Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

h. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

i. If Contractor is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000, but Contractor later enters into an agreement or agreements that cause contractor to exceed that amount in a fiscal year, Contractor shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Contractor and this department to exceed \$25,000 in the fiscal year.

44. Requiring Health Benefits for Covered Employees

Contractor agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of section 12Q.5.1 of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at www.sfgov.org/olse. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

a. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

b. Notwithstanding the above, if the Contractor is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

c. Contractor's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Contractor if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

d. Any Subcontract entered into by Contractor shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Contractor shall notify City's Office of

Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Contractor shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Contractor based on the Subcontractor's failure to comply, provided that City has first provided Contractor with notice and an opportunity to obtain a cure of the violation.

e. Contractor shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Contractor's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

f. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

g. Contractor shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

h. Contractor shall keep itself informed of the current requirements of the HCAO.

i. Contractor shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

j. Contractor shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

k. Contractor shall allow City to inspect Contractor's job sites and have access to Contractor's employees in order to monitor and determine compliance with HCAO.

l. City may conduct random audits of Contractor to ascertain its compliance with HCAO. Contractor agrees to cooperate with City when it conducts such audits.

m. If Contractor is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Contractor later enters into an agreement or agreements that cause Contractor's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Contractor and the City to be equal to or greater than \$75,000 in the fiscal year.

45. Left Blank by Agreement of the Parties (First Source Hiring Program)

46. Prohibition on Political Activity with City Funds. In accordance with San Francisco Administrative Code Chapter 12.G, Contractor may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity") in the performance of the services provided under this Agreement. Contractor agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event Contractor violates the provisions of this

section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Contractor from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider Contractor's use of profit as a violation of this section.

47. Preservative-treated Wood Containing Arsenic. Contractor may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Contractor may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Contractor from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

48. Modification of Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement. Contractor shall cooperate with Department to submit to the Director of HRC any amendment, modification, supplement or change order that would result in a cumulative increase of the original amount of this Agreement by more than 20% (HRC Contract Modification Form).

49. Administrative Remedy for Agreement Interpretation. Should any question arise as to the meaning and intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to Purchasing who shall decide the true meaning and intent of the Agreement.

50. Agreement Made in California; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

51. Construction. All paragraph captions are for reference only and shall not be considered in construing this Agreement.

52. Entire Agreement. This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This contract may be modified only as provided in Section 48, "Modification of Agreement."

53. Compliance with Laws. Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

54. Services Provided by Attorneys. Any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. No invoices for

services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will be paid unless the provider received advance written approval from the City Attorney.

55. Left Blank by Agreement of the Parties. (Supervision of Minors)

56. Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

57. Protection of Private Information. Contractor has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. Contractor agrees that any failure of Contractor to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Contract. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Contract, bring a false claim action against the Contractor pursuant to Chapter 6 or Chapter 21 of the Administrative Code, or debar the Contractor.

58. Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and County and its residents, and to prevent the further spread of graffiti. Contractor shall remove all graffiti from any real property owned or leased by Contractor in the City and County of San Francisco within forty eight (48) hours of the earlier of Contractor's (a) discovery or notification of the graffiti or (b) receipt of notification of the graffiti from the Department of Public Works. This section is not intended to require a Contractor to breach any lease or other agreement that it may have concerning its use of the real property. The term "graffiti" means any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" shall not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

Any failure of Contractor to comply with this section of this Agreement shall constitute an Event of Default of this Agreement.

59. Food Service Waste Reduction Requirements. Effective June 1, 2007, Contractor agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Contractor agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of one hundred dollars (\$100) liquidated damages for the first breach, two hundred dollars (\$200) liquidated damages for the second breach in the same year, and five hundred dollars (\$500) liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to comply with this provision.

60. Slavery Era Disclosure

a. Contractor acknowledges that this contract shall not be binding upon the City until the Director receives the affidavit required by the San Francisco Administrative Code's Chapter 12Y, "San Francisco Slavery Era Disclosure Ordinance."

b. In the event the Director of Administrative Services finds that Contractor has failed to file an affidavit as required by Section 12Y.4(a) and this Contract, or has willfully filed a false affidavit, the Contractor shall be liable for liquidated damages in an amount equal to the Contractor's net profit on the Contract, 10 percent of the total amount of the Contract, or \$1,000, whichever is greatest as determined by the Director of Administrative Services. Contractor acknowledges and agrees that the liquidated damages assessed shall be payable to the City upon demand and may be set off against any monies due to the Contractor from any Contract with the City.

c. Contractor shall maintain records necessary for monitoring their compliance with this provision.

61. Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both parties, and both parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

CITY

CONTRACTOR

Recommended by:

21Tech, LLC



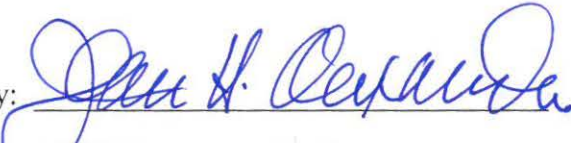
José Cisneros
Treasurer
Office of the Treasurer & Tax Collector

By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.


Approved as to Form:

I have read and understood paragraph 35, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.

Dennis J. Herrera
City Attorney

By: 
Deputy City Attorney

Approved:


Azhar Mahmood
Managing Member
1390 Market Street, Suite 1202
San Francisco, CA 94102
Jaci Fong
Director of the Office of Contract Administration, and Purchaser

City vendor number: [37769]

Appendices

- A: Services to be provided by Contractor
- B: Calculation of Charges
- C: Insurance Waiver

City and County of San Francisco



TREASURER TAX COLLECTOR

Statement of Work Gross Receipts

Submitted by



Revision: Version 1.3

Dated: Friday May 29, 2013

By: Linda Short

Email: Linda.short@21tech.com

Web: www.21Tech.com

APPENDIX A: STATEMENT OF WORK

Purpose of Project

The Office of the Treasurer & Tax Collector (TTX) has procured the Government Revenue Management System (GRM) software from Manatron, Inc. and it will become the system of record for administering all of TTX's business taxes. Manatron, Inc. and 21Tech are working jointly to implement GRM.

TTX has previously provided the tax payer with the opportunity to calculate and pay their Payroll, Registration and Hotel taxes online. Parking tax on-line form will be implemented soon. 21Tech has provided the resources for creating and implementing the custom on-line forms and background processes and logic to provide this functionality.

21Tech will provide additional services to enhance the GRM software solution and provide integration, updated tax forms, custom reports and post implementation support.

The City and County of San Francisco adopted by voter initiative a gross receipts tax to be phased in starting tax year 2014. Creation of the new gross receipts tax on-line form, modification of existing on-line forms, providing tax payer documentation to support the new legislation is the purpose of this project ("Project").

Terms and Definition

- Once a deliverable is accepted any changes required will follow the Change Management Process as defined in Appendix A-2.
- After Client Acceptance, if a defect is discovered before the completion of the post go live support period, 21Tech will fix the issue at no additional charge provided this issue is not one related to missed, incorrect or partial requirements. After Client's acceptance of UAT and after the paid support period, if a defect is discovered related to 21Tech work, any remediation work, should the client choose to have 21Tech perform said work, will follow the Change Order process as defined in Appendix A-2. If the issue is found to be related to missed, incorrect or partial requirements this remediation work will follow the Change Order process as defined in Appendix A-2.
- If a delay to the project occurs that is of no fault of 21Tech's, the resulting additional work effort will follow the Change Order process as defined in Appendix A-2.

Project Management

21Tech's Project Manager will use the approved project management documents to monitor and document all issues, action items, status, escalations, milestones, deliverables, and report internally and externally to team members and stake holders on the project regularly. Status reports and project plan updates will be provided weekly and made available to the team.

On Going Deliverables that must be met in order to accept any Milestone:

21Tech shall:

- 1) Maintain the Project Plan throughout the life of the project**
- 2) Maintain the issues log**
- 3) Follow up on issues and action items**
- 4) Hold weekly Status Meetings**
- 5) Facilitate communication between all parties for its deliverables**
- 6) Work with client to schedule as needed sponsor meetings**
- 7) Manage change control and escalation processes for the project**

Statement of Work

This Statement of Work (SOW) shall delineate the responsibilities and deliverables of both parties related to the project implementation, as well as define the acceptance criteria for each milestone defined within the SOW. The expected outcome upon completion of this SOW is that 21Tech will create an online environment for the tax payer to calculate and pay their gross receipts taxes, integrating with GRM.

To achieve the desired outcome by the completion date in the baseline project schedule, timely communications is the responsibility of every involved member using all the protocols defined in this Agreement. In addition, when the dates in the timeline change, estimated duration shall be used as a guide to manage expectations. It is incumbent on all parties to monitor the project schedule. All parties will work to meet the schedule or agree to modify so that it accurately reflects the state of the project over the life of this SOW.

It is the TTX Project Manager's role to maintain this SOW in conjunction with the 21Tech Project Manager. Both parties will identify resources required to sufficiently staff the project at the appropriate time for each milestone until acceptance criteria sign off.

Milestone Deliverable #1

TTX and 21Tech accept:

- 1) Statement of Work**
- 2) Appendix B (Calculation of Charges)**
- 3) Project Management**
- 4) CHANGE ORDER MANAGEMENT PROCESS - Process defined in Appendix A-2**

Implementation Planning

21Tech will provide the initial proposed project schedule and estimated project staffing resource requirements. Once the schedule is agreed by the TTX Project Manager, it will become the primary governing schedule for the Project. This schedule will be periodically updated by 21Tech, upon approval of the TTX Project Manager, to reflect the actual progress and the current circumstances.

TTX shall sign a "Project Kick off" memo, which will serve as the formal initiation of the Project.

21Tech will provide standard project management services, and in addition will coordinate and collaborate with the Manatron, Inc. team during all phases of this project.

Milestone Deliverable #2

TTX and 21Tech accept:

- 1) Project Schedule**
- 2) Project Kick off Memo**
- 3) Project Management**

Discovery

21Tech will participate in the Discovery Sessions led by Manatron, Inc. where the sessions will include a review of the legislation and how it will affect the deliverables outlined in the SOW. In addition, 21Tech will conduct one 5 day Discovery Session with TTX with focus primarily on on-line form requirements, including layout, calculation logic scenarios to assist in determining the best approach, and identify use test cases.

Milestone Deliverable #3

TTX and 21Tech accept:

- 1) 21Tech participates in the 4-day Manatron, Inc. Discovery Sessions**
- 2) 21Tech conducts one 5 day Discovery Sessions (Primarily on-line Forms)**
- 3) Project Management**

Detailed Requirements

21Tech will conduct requirements gathering sessions that will be more detailed in nature than the discovery sessions. 21Tech will devise multiple scenarios for each tax type in order to analyze the best place (online form, SQL Server, GRM) for calculations to be performed and for variables to be stored. In each case pro's and con's will be documented and a recommendation given to TTX.

21Tech will create detailed business requirements and process flows to document the results. The discovery sessions will be the base. Detailed requirements gathering for functional and technical documentation will be in this work effort. Documentation will be reviewed with TTX, corrections made and TTX sign off will be required prior to starting programming efforts.

21Tech with help from TTX business experts will create test cases, end-to-end test case scenarios and scripts to verify the quality of 21Tech created forms, interfaces and reports. The end-to-end test cases will test the integrated Thomson Reuter /21Tech solution and include GRM functionality.

Milestone Deliverable #4

- 1) 21Tech will conduct multiple requirements gathering sessions, as needed.**
- 2) 21Tech drafts business requirements document**
 - a) Gross Receipts on-line Form (accepting quarterly installments)**
 - b) Modifications to Payroll Form (accepting quarterly installments)**
 - c) Modifications to Registration Form**

d) Interface to GRM, implementing Web Service for GRM Obligation Calculation

e) Four Reports of Moderate difficulty

This documentation will include the future calculation changes to the on-line forms in order to be compliant with legislation.

3) 21Tech and TTX will have up to four meetings to review, clarify the business requirements documents.

4) TTX signs off on the business requirements documents.

5) TTX and 21Tech conduct a scope review meeting to verify that the SOW will meet the needs of the project.

6) Project Schedule updated, if 21Tech and TTX both necessary.

7) Project Management

GRM – Base Product Services

Wausau Real Time Lookups

Develop a real-time lookup host emulation with Wausau which will use existing GRM API's to call GRM in real-time. Assumption is no middleware will be required. TTX will handle all escalations with external vendor deliverables and testing cycle.

Assumption is Wausau delivers at least one month before UAT and an interim solution is not required.

Extract from GRM into Web App SQL Server database

Four forms updated to use newly developed web service logic to provide web app forms with GRM data as requested. Includes working with Thomson Reuter to define requirements, coordinate and unit testing. Also included is Parking online with BTS, converted to GRM with test cycle.

The four form types are: Account Update, Registration, Payroll, and Parking.

New Reports

Build 4 new reports of moderate difficulty (no more than 8 days development per report)

Example: Audit Pool

Redesign Online Business Tax Forms

Redesign the Registration and Payroll forms:

RG2014 - Small Changes are in scope for fiscal year 2013/2014.

RG2015 - Gross Receipts Kludge & Rate Table Logic Change for fiscal year 2014/2015.

PY2013 – Small Changes Calendar Year Tax Period 2013_ will be filing in January 2014

PY2014 – Gross Receipts Calendar Year Tax Period 2014 filing in January 2015

Hotel Form Rework

This work effort includes- the .Net application development and matching Tax forms for document management and confirmation to taxpayer. This form will be implemented post GRM go-live for Q1 2014 and will accommodate monthly filings and integration with GRM.

Base Product Post Implementation Support

Provide post GRM go live implementation support for first 60 days. The support team will consist of equivalent of one Thomson Reuter and one 21Tech personnel available via telephone or email from 8am to 5pm, Pacific Time.

Milestone Deliverable #5

- 1) TTX Acceptance of Requirements for Wausau interface
- 2) TTX Acceptance of Requirements for GRM Extracts
- 3) TTX Acceptance of Requirements for 4 new reports
- 4) TTX Acceptance of Requirements for Hotel Form
- 5) TTX Acceptance of RG2014 Form
- 6) Project Management

Milestone Deliverable #6 (UAT Ready)

- 1) TTX Acceptance of Development for Wausau interface
- 2) TTX Acceptance of Development for GRM Extracts
- 3) TTX Acceptance of Development for 4 new reports
- 4) TTX Acceptance of Hotel Form Development
- 5) TTX Acceptance of Production Ready for Hotel Form
- 6) Project Management

Milestone Deliverable #7 (Post UAT)

- 1) TTX Acceptance of Production Ready for Wausau interface
- 2) TTX Acceptance of Production Ready for GRM Extracts
- 3) TTX Acceptance of Production Ready for 4 new reports
- 4) TTX Acceptance of RG2015 Form
- 5) TTX Acceptance of PY2013 Form
- 6) TTX Acceptance of PY2014 Form
- 7) Project Management

Milestone Deliverable #8

- 1) Completion of sixty day post go live support for Business Tax Implementation

Development – Interfaces, Forms, and Reports

Based on the signed requirements document (Milestone #4), 21Tech development team will code the new gross receipts on-line form, modify the existing payroll and registration on-line forms.

Working with Manatron, Inc., 21Tech will modify the existing interface between the on-line form Web App SQL Server database and GRM. The Web Services/GRM Interface will build on the GRM Web Services implemented as part of the initial project implementation phase. The addition Web Service will allow the on-line form to ‘call’ the result of the calculation in GRM, having that value passed back to the on-line form. This will eliminate the need for the custom Web App SQL Server to duplicate all calculations with custom procedures and formulas, therefore reducing future maintenance and testing efforts.

Four Reports of moderate difficulty (not to exceed 8 development days) will be identified, designed, coded and tested.

Milestone Deliverable #9

- 1) TTX Acceptance of Gross Receipts on-line Form (accepting quarterly installments)**
- 2) TTX Acceptance of Modifications to Payroll Form (accepting quarterly installments)**
- 3) TTX Acceptance of Modifications to Registration Form**
- 4) TTX Acceptance of Interface to GRM, implementing Web Service for GRM**

Obligation Calculation

- 5) TTX Acceptance of Four Reports of Moderate difficulty**
- 6) Project Management**

Data Review and Data Migration

None

Training and Documentation

Training will be interactive hands-on experience. The UAT preparation training session is intended for those actively participating in UAT, but may include any interested party – with a group not to exceed 20. The Technical training is intended for the IS professionals who will support the 21Tech deliverables and the group is not expected to be more than 5. Two half-day sessions of User Training will primarily be focused on the user interface for the new forms, not to exceed 20 users per session. TTX will provide the training facility and equipment. TTX will provide the facility, equipment and software environment for training. 21Tech will provide any training materials deemed necessary and will provide the training instructor.

Creation of the Tax Payer Worksheets and FAQ will be based on the functional understanding gained from the detailed requirements gathering sessions and will be vetted with TTX business experts. TTX is responsible for distribution.

Creation of documentation and procedures documents for staff. Process will include draft documents, review process and finalization.

Milestone Deliverable #10

TTX and 21Tech accept:

- 1) Completion of 3 day UAT Preparation Training Sessions provided by 21Tech**
- 2) Completion of 2 day Technical Training Sessions provided by 21Tech**
- 3) Completion of two ½ day User Training Sessions provided by 21Tech**
- 4) Tax Payer Worksheet Documentation & FAQ documents**
- 5) Delivery of documentation/procedures for staff**
- 6) Project Management**

Acceptance for Production – User Acceptance Testing (UAT)

This project includes two vendors, 21Tech and Manatron, Inc., the individual responsibilities support the work products of the other. 21Tech will lead the User Acceptance Testing, coordinating efforts between Manatron, Inc. and TTX, and will document faults, provide fault follow-up, hold UAT status meetings, issue reviews and coordinate re-testing. UAT will take place in a test environment provided by TTX and using current TTX data. 21Tech will provide testing support, someone available during the testing cycles to help with any issues or questions. Critical faults, at TTX discretion, must be corrected, tested and signed off before production implementation.

- a) 21Tech will provide testing assistance for all forms, interfaces and reports that were developed by 21Tech.
- b) TTX will execute all test cases/scenarios/scripts and report outcome of each condition tested (pass/fail/other)
- c) TTX will prioritize the list of all identified faults to 21Tech for validation. For critical faults, a correction must be identified and planned.

Milestone Deliverable #11

TTX and 21Tech accept:

- 1) Two iterations of the complete testing cycles**
- 2) 21Tech documents a plan to address the reported faults related to interfaces, forms and reports developed by 21Tech.**
- 3) Project Management**

Signoff on Completion

All preparations including coordination with various groups and communication to set expectations for users on changes to come will be managed by 21Tech with approval from TTX liaison. 21Tech will develop a detailed cutover plan for preparation of go-live week. During go-live week we will closely monitor and report on all activities for 21Tech deliverables.

Milestone Deliverable #12

TTX and 21Tech accept:

- 1) Interfaces, Forms and Reports satisfy all specified requirements identified by TTX personnel.**
- 2) Project Management**

Post Go-Live Support

21Tech will provide 45 business days support on its deliverables. The support period will have project management and development resource available.

Milestone Deliverable #13 (a, b, c)

TTX and 21Tech accept:

- 1) 15 business days go-live support with one resource after Payroll & Gross Receipts [PY2013, GR2013]**
- 2) 15 business days go-live support with one resource after Registration [RG2015]**
- 3) 15 business days go-live support with one resource after Payroll & Gross Receipts [PY2014 , GR2014] (annual)**
Project Management

Department Liaison

In performing the services provided for this Agreement, Contractor's liaison with TTX will be Tajel Shah, Deputy Director.

Assumptions

- Manatron, Inc. will provide a Web Service to calculate the obligation and pass back to the on line form.
- 21Tech deliverables are dependent upon timely completion of Manatron, Inc. deliverables. This statement of work estimate reflects costs for the 21Tech work effort with the assumption Manatron, Inc. meets their deadlines.
- Two cycles of testing will consist of one month per cycle to include initial testing, fault identification and resolution, retesting and sign off.
- Scheduling Test cycles will include, and are dependent upon, the Manatron Inc. deliverables.
- This work effort will support the Gross Receipts legislation for 2014 and 2015 as documented above.
- At the end of discovery phase 21Tech may need to revise its estimates for the remaining deliverables.
- 2015 Forms are not included in the UAT as described in this document. This will be a separate work effort.



- Manatron, Inc. is responsible for the API to interface web application tax statement data to GRM, and that work effort is not included in this statement of work.
- TTX will assist

Appendix A-1 – Draft TimeLine

Final Timeline will be developed with TTX team members after taking into consideration related project dependencies.



Timeline GR

Appendix A-2 – Change Order Process

The City may at any time, by written order, and without notice to Contractor's sureties, submit a Change Request to Contractor. Within ten (10) working days (or such time period as mutually agreed to by the parties) of receiving a proposed Change Request, Contractor shall submit to City a Change Order which will include written cost estimate and any adjustments to the Project price, the Project Schedule, the Statement of Work, the Acceptance Criteria or any other obligations of Contractor, as applicable. Contractor may also propose a Change Order involving additions, deletions, or revisions to the Work, or any obligations imposed upon the Parties under this Agreement. Contractor's proposed Change Order shall be in the form of a Request for Change (RFC) which shall explain, in writing, Contractor's basis for requesting the Change Order and the impact of the proposed Change Order on the Project Schedule, the cost of Work, the contract documents and Deliverables, and any other interdependent Work, including but not limited to, the Acceptance Criteria, training, documentation, performance, resources, data conversion, users, re-engineering tasks, and all other aspects of the Project, as provided in this Agreement.

All Change Orders must be pre-approved, in writing, by City's Project Manager. Contractor shall not proceed with any work contemplated in any Change Order until it receives written notification to commence such work from City's Project Manager. Contractor shall commence the work contemplated by the Change Order upon receiving written notice from City's Project Manager. If Contractor and City disagree on the effect that a Change Order will have on the Project price, the Project Schedule or the Acceptance Criteria, then Contractor will not proceed with the work contemplated by the Change Order until the parties agree, in writing, to do so.

The City shall have authority to order minor changes in the Work not involving either an adjustment in the total contract sum or an extension of the time for completion of the Work, provided that the parties mutually agree that the change is minor. The City's Project Manager may waive a variation in the Work if, in his or her opinion, such variation does not materially change the Work or the Program's performance. Such changes shall be effected by written order and shall be binding on the City and Contractor. Contractor shall carry out such written orders promptly. Such written orders may be in the form of a response to a Request for Information (RFI), a no cost change order, or in any other written form determined by the City.

Additional details can be found in the Change Control Plan, which will be collaboratively developed during the initial phase of the project.

Appendix B – Calculations of Professional Services

Milestone Number	Key Deliverables (Assumes Project Start of June 24 2013)	Due Date	Payment Amount
1	1) Statement of Work 2) Appendix B (Calculation of Charges) 3) Project Management	Jun-13	\$43,200
2	1) Project Schedule 2) Kickoff Memo 3) Project Management	Jun-13	\$36,600
3	1) 21Tech participates in the 4-day Manatron, Inc. Discovery Sessions 2) 21Tech conducts one 5 day Discovery Sessions (Primarily on-line Forms) 3) Project Management	Jul-13	\$59,700
4	1) 21Tech will conduct multiple requirements gathering sessions, as needed. 2) 21Tech drafts business requirements document <ul style="list-style-type: none"> a) Gross Receipts on-line Form (accepting quarterly installments) b) Modifications to Payroll Form (accepting quarterly installments) c) Modifications to Registration Form d) Interface to GRM, implementing Web Service for GRM Obligation Calculation e) Four Reports of Moderate difficulty This documentation will include the future calculation changes to the on-line forms in order to be compliant with legislation. 3) 21Tech and TTX will have up to four meetings to review, clarify and sign off on the business requirements documents. 4) TTX signs off on the business requirements documents. 5) TTX and 21Tech conduct a scope review meeting to verify that the SOW will meet the needs of the project. 6) Project Schedule updated, if 21Tech and TTX both necessary. 7) Project Management	Aug-13	\$198,300
5	1) TTX Acceptance of Requirements for Wausau interface 2) TTX Acceptance of Requirements for GRM Extracts 3) TTX Acceptance of Requirements for 4 new reports 4) TTX Acceptance of RG2014 Form 5) TTX Acceptance of Requirements for Hotel Form 6) Project Management	Aug-13	\$178,640

6	1) TTX Acceptance of Development for Wausau interface 2) TTX Acceptance of Development for GRM Extracts 3) TTX Acceptance of Development for 4 new reports 4) TTX Acceptance of Training and Guidance for Hotel Form Rework 5) TTX Acceptance of Hotel Form Development 6) TTX Acceptance of Production Ready for Hotel Form 7) Project Management	Aug-13	\$235,400
7	1) TTX Acceptance of Production Ready for Wausau interface 2) TTX Acceptance of Production Ready for GRM Extracts 3) TTX Acceptance of Production Ready for 4 new reports 4) TTX Acceptance of RG2015 Form 5) TTX Acceptance of PY2013 Form 6) TTX Acceptance of PY2014 Form 6) Project Management	Dec-13	\$145,640
8	1) Completion of Sixty day post go live support for Phase 1 Business Tax	Feb-14	\$158,400
9	1) TTX Acceptance of Gross Receipts on-line Form (accepting quarterly installments) 2) TTX Acceptance of Modifications to Payroll Form (accepting quarterly installments) 3) TTX Acceptance of Modifications to Registration Form 4) TTX Acceptance of Interface to GRM, implementing Web Service for GRM Obligation Calculation 5) TTX Acceptance of Four Reports of Moderate difficulty 6) Project Management	Feb-14	\$286,740
10	1) Completion of 3 day UAT Preparation Training Sessions provided by 21Tech 2) Completion of 2 day Technical Training Sessions provided by 21Tech 3) Completion of two ½ day User Training Sessions provided by 21Tech 4) Tax Payer Worksheet Documentation & FAQ documents 5) Delivery of documentation/procedures for staff 6) Project Management	Jan-14	\$96,900
11	1) Two iterations of the complete testing cycles have passed testing 2) 21Tech documents a plan to address the reported faults related to interfaces, forms and reports developed by 21Tech. 3) Project Management	Feb-14	\$142,200

12	1) Sign off on Completion: Interfaces, Forms and Reports satisfy all specified requirements identified by TTX personnel. 2) Project Management	Apr-14	\$112,800
13a	1) 15 business days go live support with one resource after Payroll & Gross Receipts [PY2013, GR2013] 2) Project Management	Apr 2014	\$30,866
13b	1) 15 business days go live support with one resource after Registration [RG2015] 2) Project Management	May-14	\$30,866
13c	1) 15 business days go live support with one resource after Payroll & Gross Receipts [PY2014 , GR2014] (Annual) 2) Project Management	Feb-15	\$30,868
	Total		\$1,787,120

Note the following deliverables may be performed and/or completed in any order and/or in parallel.

Appendix C
Insurance Waiver

Kato, Greg

From: Matt.Hansen@sfgov.org
Sent: Tuesday, May 28, 2013 1:06 PM
To: Kato, Greg
Cc: Fitzgerald, Elizabeth; Alexander, Jean; Shah, Tajel
Subject: Re: 21TEch P500 Redline GK Comments 5-24-13

Hi Greg,

As discussed just now, these changes to section 15 are approved, provided that contractor sends you a note/letter stating they own no vehicles and if any vehicles are to be operated in connection with this agreement, they will provide the required insurance before any operation is to happen.

Let me know if you have any further questions.

Best,
Matt

~~~~~  
Matt Hansen, Director  
Risk Management Division  
City & County of San Francisco  
25 Van Ness Ave., Suite 750  
San Francisco, CA 94102

415-554-2302 - Direct  
415-554-2300 - Main Office  
415-554-2357 - Fax

email: matt.hansen@sfgov.org  
~~~~~

-----"Kato, Greg" <greg.kato@sfgov.org> wrote: -----
To: "Fitzgerald, Elizabeth" <elizabeth.fitzgerald@sfgov.org>, "Hansen, Matt" <matt.hansen@sfgov.org>
From: "Kato, Greg" <greg.kato@sfgov.org>
Date: 05/24/2013 04:15PM
Cc: "Alexander, Jean" <jean.alexander@sfgov.org>, "Shah, Tajel" <tajel.shah@sfgov.org>
Subject: 21TEch P500 Redline GK Comments 5-24-13

Hello Elizabeth and Matt-

Attached, please find a drafted agreement with 21 Tech LLC for business process documentation and web form development. 21 Tech has requested amendments to Section 15 which it claims have been accepted in a previous agreement with SFMTA. We are supporting them. They have also proposed limits to their liability and indemnification that we are supporting because 21 Tech LLC is not responsible for delivering a solution, but for doing work on a third party software at our direction.

Please review and provide comments. We are happy to coordinate whatever letters are needed from the vendor to effectuate the waivers. We are available to discuss why we are willing to support this agreement and our analysis. As you can imagine, with the looming implementation of the new Gross Receipts Tax we are requesting a quick turnaround on this review. My apologies for the fire drill.

Thank you!

-Greg

Greg M Kato
Policy and Legislative Manager
Office of the Treasurer & Tax Collector
City & County of San Francisco
City Hall - Room 140
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
Phone: 415/554-8858
Fax: 415/554-5507
Email: Greg.Kato@sfgov.org
Twitter: @gregkato

[attachment "21TEch P500 Redline GK Comments 5-24-13.docx" removed by Matt Hansen/ADMSVC/SFGOV]



To Whom It May Concern,

21Tech does not own any vehicles, so we do not have insurance coverage for owned vehicles. In the event that 21Tech does purchase vehicles, we will add that insurance coverage to our policy.

Regards,

Brad Baker

Brad Baker
Director of Sales
21Tech, LLC

1390 Market Street, Suite 1202 San Francisco, CA 94102
Tel: (415) 355-9096 Fax: (888) 715-0265
Web: www.21Tech.com



FORM 3: HRC NON-DISCRIMINATION AFFIDAVIT

1. I will ensure that my firm complies fully with the provisions of Chapter 14B of the San Francisco Administrative Code and its implementing Rules and Regulations and attest to the truth and accuracy of all information provided regarding such compliance.
2. Upon request, I will provide the HRC with copies of contracts, subcontract agreements, certified payroll records and other documents requested so the HRC may investigate claims of discrimination or non-compliance with either Chapter 12B or Chapter 14B.
3. I acknowledge and agree that any monetary penalty assessed against my firm by the Director of the Human Rights Commission shall be payable to the City and County of San Francisco upon demand. I further acknowledge and agree that any monetary penalty assessed may be withheld from any monies due to my firm on any contract with the City and County of San Francisco.
4. I declare and swear under penalty of perjury under the laws of the State of California that the foregoing statements are true and correct and accurately reflect my intentions.

Signature of Owner/Authorized Representative: _____

A handwritten signature in black ink, appearing to read "Dilraj Kahai", written over a horizontal line.

Owner/Authorized Representative (Print) _____

Dilraj Kahai

Name of Firm (Print) _____

21Tech

Title and Position _____

Managing Member

Address, City, ZIP _____

1390 Market Street, Suite 1202, SF, CA 94102

Federal Employer Identification Number (FEIN): _____

94-3250301

Date: _____

1/14/2013