

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

Fourth Amendment

THIS AMENDMENT (this “Amendment”) is made as of August 15, 2016, in San Francisco, California, by and between 21 Tech, LLC (“Contractor”), and the City and County of San Francisco, a municipal corporation (“City”), acting by and through its Director of the Office of Contract Administration.

RECITALS

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

WHEREAS, City and Contractor desire to modify the Agreement on the terms and conditions set forth herein to increase the contract amount and expand the deliverables;

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

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

1a. Agreement. The term “Agreement” shall mean the Agreement dated June 18, 2013, between Contractor and City, as amended by the:

First Amendment,	dated March 3, 2014, and
Second Amendment,	dated March 1, 2015, and
Third Amendment,	dated July 28, 2015.

1b. Contract Monitoring Division. Effective July 28, 2012, with the exception of Sections 14B.9(D) and 14B.17(F), all of the duties and functions of the Human Rights Commission under Chapter 14B of the Administrative Code (LBE Ordinance) were transferred to the City Administrator, Contract Monitoring Division (“CMD”). Wherever “Human Rights Commission” or “HRC” appears in the Agreement in reference to Chapter 14B of the Administrative Code or its implementing Rules and Regulations, it shall be construed to mean “Contract Monitoring Division” or “CMD” respectively.

1c. Other Terms. Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

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

2a. Section 4. Section 4 of the Agreement currently reads as follows:

4. Services Contractor Agrees to Perform. The Contractor agrees to perform the services provided for in Appendices A, "Description of Services," A-3, "Change Requests," A-4, "Change Requests 7, 9, 10, and 11," and A-5, "Scope of Work for Online Applications for Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Filing, Quarterly Filing, and Business Registration Renewal" attached hereto and incorporated by reference as though fully set forth herein.

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

4. Services Contractor Agrees to Perform. The Contractor agrees to perform the services provided for in Appendices A, "Description of Services," A-3, "Change Requests," A-4, "Change Requests 7, 9, 10, and 11," A-5, "Scope of Work for Online Applications for Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Filing, Quarterly Filing, and Business Registration Renewal," and A-6, "Scope of Work for Account Update, LICA - Unified Licensing, Online Applications for Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Filing 2016, and Additional Professional Services Hours," attached hereto and incorporated by reference as though fully set forth herein.

2b. Section 5. Section 5, "Compensation," of the Agreement currently reads as follows:

5. Compensation. Compensation shall be made according to the payment schedule identified in **Appendices B "Calculations for Professional Services," B-1 "Calculation of Charges – Change Requests," B-2 "Calculation of Charges - Change Requests 7, 9, 10, and 11," and B-3 "Calculation of Charges,"** attached hereto and incorporated by reference as though fully set forth herein, for deliverables that Treasurer, or his or her authorized representative, in his or her sole discretion, concludes have 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-day period. In no event shall the amount of this Agreement exceed \$3,729,525. The breakdown of costs associated with this Agreement appears in Appendices B "Calculations of Professional Services," B-1 "Calculation of Charges – Change Requests," B-2 "Calculation of Charges - Change Requests 7, 9, 10, and 11," and B-3 "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.

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

5. Compensation. Compensation shall be made according to the payment schedule identified in **Appendices B “Calculations for Professional Services,” B-1 “Calculation of Charges – Change Requests,” B-2 “Calculation of Charges - Change Requests 7, 9, 10, and 11,” B-3 “Calculation of Charges,” and B-4 “Calculation of Charges,”** attached hereto and incorporated by reference as though fully set forth herein, for deliverables that Treasurer, or his or her authorized representative, in his or her sole discretion, concludes have 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-day period. In no event shall the amount of this Agreement exceed \$4,011,658. The breakdown of costs associated with this Agreement appears in **Appendices B “Calculations of Professional Services,” B-1 “Calculation of Charges – Change Requests,” B-2 “Calculation of Charges - Change Requests 7, 9, 10, and 11,” B-3 “Calculation of Charges,” and B-4 “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.

2c. Appendix A-6. Appendix A-6, “Scope of Work for Account Update, LICA – Unified Licensing, Online Applications for Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Filing 2016, and Additional Professional Services Hours,” attached, is hereby added to the Agreement.

2d. Appendix B-4. Appendix B-4, “Calculation of Charges,” attached, is hereby added to the Agreement.

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

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

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

CITY

CONTRACTOR

Recommended by:

21 Tech, LLC



Pauline Marx
Chief Assistant Treasurer
Office of the Treasurer & Tax Collector



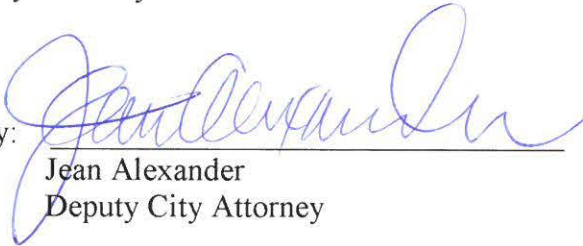
Azhar Mahmood
Managing Member
1330 Broadway, Suite 701
Oakland, CA 94612

City vendor number: 37769

Approved as to Form:

Dennis J. Herrera
City Attorney

By:



Jean Alexander
Deputy City Attorney

Approved:

for  (Assistant Director)
Jaci Fong
Director of the Office of Contract
Administration, and Purchaser

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PURCHASING DEPARTMENT

Appendix A-6

Scope of Work for Account Update, LICA - Unified Licensing, Online Applications for Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Filing 2016, and Additional Professional Services Hours

1. Project Description

The voters of the City and County of San Francisco adopted Proposition E in the November 2012 election, which instituted a gross receipts tax, increased business registration fees, and established a methodology for adjusting gross receipts tax rates and the payroll expense tax rate over the course of a five-year period, commencing January 1, 2014.

The Office of the Treasurer & Tax Collector (“TTX”) has previously engaged 21Tech, LLC (“Contractor”) to build online forms and databases to facilitate taxpayer submission of tax filings through the TTX website, including the Gross Receipts Tax, Payroll Expense Tax and Administrative Office Tax Annual Filing, Quarterly Filing, Business Registration Renewal, Transient Occupancy Tax Monthly Filing, Parking Tax Monthly Filing, Account Update, and Payment Portal. Contractor is an authorized third party integrator for the Aumentum (“AUM”) business tax product licensed by TTX from Thomson Reuters. Contractor will build Online Submission forms, database(s) and reports for the listed project deliverables below. TTX reserves the right to not initiate work with Contractor on any of the listed project deliverables.

2. Project Deliverables

Contractor shall complete the following list of project deliverables within the time schedule agreed upon pursuant to Section 6, Project Events, of this Appendix A-6. Each of the Project Events will be completed for each of the listed projects below provided the first event is executed.

- a. Account Update – Develop a new application to enable businesses to update information in Aumentum (business tax system). The basis for the application is functionality found in the New Business Application developed separately by the Department.
- b. LICA application – Develop an application that allows for easy viewing by regulatory departments of their licenses being renewed and managed by the department. Include documentation on data sets being used for the view.
- c. Tax year 2016 Online Filing – Update and refine Gross Receipts/Payroll 2015 annual tax application changes to meet the needs for the 2016 filing, include four reports and documentation.
- d. Additional Professional Services Hours for change requests related to online applications, payment portal, data migration or other related tasks, if needed.

3. Testing, Training and Other Support

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

- b. This may include supplemental artifacts authored by Contractor as deemed necessary by the project team, with the supplemental artifact request and effort estimated and documented through the established Change Control process.
- c. Contractor shall make available to the City an additional 300 hours of professional services to be used only if requested by the City for the purposes of configuration changes, data improvements, reporting, modifications, enhancements and other professional services required in connection with the Agreement. The Contractor shall charge the City \$165 per hour for such services. The City shall only be liable for payment for the hours requested and used by the City.

4. TTX Roles & Responsibilities

- a. TTX will make available subject matter expert resources for each project phase and engagement team members to participate in the gathering of requirements prior to and during the scheduled onsite Discovery Meeting, as well as any remote Discovery-related Meetings. This includes third party resources, including AUM, as well as the TTX internal resources.
- b. TTX and, as needed, any contracted third-party vendors, including AUM, will provide prior to and during the Discovery Meeting complete and accurate technical specifications with the related business rules. Delayed delivery of the technical specifications and the business rules, as well as incomplete, implied, ambiguous, or conflicting technical specifications and business rules will impact the project schedule and will create Change Control.
- c. TTX will provide samples of documents necessary for Discovery and for testing.
- d. TTX will provide samples of report(s) necessary for Discovery.
- e. TTX will provide requested information and work with Contractor to develop the project schedule and any Change Orders needed.
- f. TTX will provide specifications for Contractor to create reports compatible with TTX document management and workflow software.
- g. TTX will create and execute a User Acceptance Test Plan (“UAT”) for all locations as well as any integration, regression, downstream (file/report validation) or other third-party testing. This UAT coupled with the Customer Requirements Document will be used by Contractor to test basic functionality/end-to-end testing before turning the system over to the City for UAT 1 and UAT 2.

5. Contractor's Roles & Responsibilities

a. Project Management. Contractor shall do the following:

1. Deliver and maintain a project plan of activities, events, and milestones.
2. Track and manage resolution of project issues, and distribute documentation of issue(s) resolution to City project team.
3. Monitor and control project scope, schedule and cost using Contractor Change Control process, if necessary.
 - a. Any activities and/or changes identified as requiring Change Control will require written approval from the City prior to the Change being executed by Contractor.
4. Facilitate regular status meetings.
5. Provide periodic reporting of actual project time used, estimated time to completion, and comparison to estimate of effort as provided in this Statement of Work.

b. Requirements Gathering/Documentation/Integration. Contractor shall do the following:

1. Facilitate a meeting/conference call to determine customer system requirements and configuration specifications.
2. Prepare Customer Requirements Document/Solution Overview and review for City approval.
3. In addition to any items agreed to in the Customer Requirements Document, develop all API and scripts in such a manner to integrate projects with existing solutions (i.e., payment portal).

6. Project Events

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

Sequence	Event
1	Statement of Work signed by both parties.
2	Requirements gathering session facilitated by Contractor.
3	Customer Requirements Document (CRD) created, including specification for at least one general report compatible with TTX document management and workflow software, and one filing report of all data entered by taxpayers.
4	Customer Requirements Document (CRD) reviewed with the City.

5	Customer Requirements Document (CRD) revised by Contractor.
6	Scope of Work (SOW) created by Contractor based on the Customer Requirements Document (CRD).
7	Customer Requirements Document (CRD) and Scope of Work (SOW) signed by the City and returned to Contractor. Requirements complete.
8	Contractor delivers application, database(s) and reports in test environment.
9	First round of User Acceptance Testing (UAT I) lead by TTX.
10	Approval of UAT 1 by TTX.
11	Contractor delivers UAT I bug fixes for application database(s) and reports in test environment.
12	Second round of User Acceptance Testing (UAT 2) lead by TTX.
13	Approval of UAT 2 by TTX.
14	Contractor delivers application, database(s) and reports in production environment.
15	TTX accepts delivery of application and database(s) in production environment ("GO LIVE").
16	Contractor completes thirty (30) days of post GO LIVE bug fixes.
17	Project closure & knowledge transfer using the Customer Requirements Document (CRD), the Statement of Work (SOW), and any related Discovery artifacts, including training and technical documentation.

7. Acceptance Criteria

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

**Appendix B-4
Calculation of Charges**

In accordance with Section 5, "Compensation," of this Agreement, Contractor shall receive an amount not to exceed \$4,011,658.00 in compensation for professional services rendered. The breakdown of charges for Appendix A-6 "Scope of Work for Account Update, LICA - Unified Licensing, Online Applications for Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Filing 2016, and Additional Professional Services Hours" is as detailed below.

Account Update

Milestone Number	Key Deliverables	Payment Amount
1	<ul style="list-style-type: none"> a) Contractor conducts requirements gathering sessions(s) as needed b) Contractor drafts Customer Requirements Document (CRD) c) CRD is reviewed with the City d) CRD is revised by the Contractor e) Scope of Work (SOW) created by Contractor based on CRD f) City signs off on CRD and SOW g) Project management 	\$7,804
2	<ul style="list-style-type: none"> a) Contractor delivers application, database(s) and reports (if applicable) in test environment b) First round of User Acceptance Testing (UAT 1) led by City c) Approval for UAT 1 by the City d) Project management 	\$7,804
3	<ul style="list-style-type: none"> a) Contractor delivers UAT 1 bug fixes for the application, database(s) and reports (if applicable) in test environment b) Project management 	\$9,756
4	<ul style="list-style-type: none"> a) Second Round of User Acceptance Testing (UAT 2) led by the City b) Approval of UAT 2 by the City c) Project management 	\$7,804
5	<ul style="list-style-type: none"> a) Contractor delivers application, database(s) and reports (as applicable) in production environment b) Project management 	\$9,756
6	<ul style="list-style-type: none"> a) City accepts delivery of the application and database(s) in production environment ("GO LIVE") b) Project management 	\$19,513
7	<ul style="list-style-type: none"> a) Contractor completes thirty (30) calendar days of post GO LIVE bug fixes b) Project management 	\$7,804
8	<ul style="list-style-type: none"> a) Project closure & knowledge transfer using CRD, SOW, and related Discovery artifacts, including training and technical documentation 	\$7,804

	b) Project management	
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LICA – Unified Licensing

Milestone Number	Key Deliverables	Payment Amount
1	a) Contractor conducts requirements gathering sessions(s) as needed b) Contractor drafts Customer Requirements Document (CRD) c) CRD is reviewed with the City d) CRD is revised by the Contractor e) Scope of Work (SOW) created by Contractor based on CRD f) City signs off on CRD and SOW g) Project management	\$8,652
2	a) Contractor delivers application, database(s) and reports (if applicable) in test environment b) First round of User Acceptance Testing (UAT 1) led by City c) Approval for UAT 1 by the City d) Project management	\$8,652
3	a) Contractor delivers UAT 1 bug fixes for the application, database(s) and reports (if applicable) in test environment b) Project management	\$10,817
4	a) Second Round of User Acceptance Training (UAT 2) led by the City b) Approval of UAT 2 by the City c) Project management	\$8,652
5	a) Contractor Delivers application, database(s) and reports (as applicable) in production environment b) Project management	\$10,817
6	a) City accepts delivery of the application and database(s) in production environment (“GO LIVE”) b) Project management	\$21,632
7	a) Contractor completes thirty (30) calendar days of post GO LIVE bug fixes b) Project management	\$8,652
8	a) Project closure & knowledge transfer using CRD, SOW, and related Discovery artifacts, including training and technical documentation b) Project management	\$8,652

Online Application for Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Filing 2016

Milestone Number	Key Deliverables	Payment Amount
1	a) Contractor conducts requirements gathering sessions(s) as needed	\$6,806

	<ul style="list-style-type: none"> b) Contractor drafts Customer Requirements Document (CRD) c) CRD is reviewed with the City d) CRD is revised by the Contractor e) Scope of Work (SOW) created by Contractor based on CRD f) City signs off on CRD and SOW g) Project management 	
2	<ul style="list-style-type: none"> a) Contractor delivers application, database(s) and reports (if applicable) in test environment b) First round of User Acceptance Testing (UAT 1) led by City c) Approval for UAT 1 by the City d) Project management 	\$6,806
3	<ul style="list-style-type: none"> a) Contractor delivers UAT 1 bug fixes for the application, database(s) and reports (if applicable) in test environment b) Project management 	\$8,508
4	<ul style="list-style-type: none"> a) Second Round of User Acceptance Testing (UAT 2) led by the City b) Approval of UAT 2 by the City c) Project management 	\$6,806
5	<ul style="list-style-type: none"> a) Contractor delivers application, database(s) and reports (as applicable) in production environment b) Project management 	\$8,508
6	<ul style="list-style-type: none"> a) City accepts delivery of the application and database(s) in production environment ("GO LIVE") b) Project management 	\$17,016
7	<ul style="list-style-type: none"> a) Contractor completes thirty (30) calendar days of post GO LIVE bug fixes b) Project management 	\$6,806
8	<ul style="list-style-type: none"> a) Project closure & knowledge transfer using CRD, SOW, and related Discovery artifacts, including training and technical documentation b) Project management 	\$6,806

Additional Professional Services Hours

Contractor shall receive additional Professional Services fees not to exceed \$49,500. The Contractor shall charge the city \$165 per hour for such Services. Although Section 5 "Compensation" of this Agreement includes all 300 additional Professional Services hours (\$49,500), the City shall only be liable for payment for the hours used. The additional Professional Services hours will be documented and approved prior to the usage. The Contractor shall separately bill and invoice these additional Professional Services hours upon completion of the documented deliverable. Timely reports will be provided by the Contractor to keep the City and Contractor aware of the status.