

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

**Seventh Amendment**

THIS AMENDMENT (this “Amendment”) is made as of November 1, 2018 in San Francisco, California, by and between 21 Tech, Inc. (“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 extend the performance period;

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, and
Fourth amendment,	dated August 15, 2016, and
Fifth amendment,	dated March 20, 2017, and
Sixth amendment,	dated May 15, 2018.

**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, Term 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," 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," 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," and A-7, "Scope of Work for Tax Year 2017 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Return, Fiscal Year 2018 Business Registration Renewal Application, Fiscal Year 2019 Business Registration Renewal Application, Posting 2017 Estimated Tax Payment Obligations into Aumentum, Account Update Application Updates, and Additional Professional Services Hours for Help with Internal Technology Integration Projects," 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," 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," A-7, "Scope of Work for Tax Year 2017 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Return, Fiscal Year 2018 Business Registration Renewal Application, Fiscal Year 2019 Business Registration Renewal Application, Posting 2017 Estimated Tax Payment Obligations into Aumentum, Account Update Application Updates, and Additional Professional Services Hours for Help with Internal Technology Integration Projects," and A-8, "Scope of Work for Tax Year 2018 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Return, Fiscal Year 2020 Business Registration Renewal Application, Tax Year 2019 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax/Commercial Rent Tax Annual Return, Account Update Application Updates, API configuration help, and Additional Professional Services Hours for Help with Internal Technology Integration Projects," attached hereto and incorporated by reference as though fully set forth herein.

**2b. Section 5.** Section 5, Term 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," B-3 "Calculation of Charges," B-4 "Calculation of Charges," and B-5 "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 \$4,373,233. 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," B-4 "Calculation of Charges," and B-5 "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," B-4 "Calculation of Charges," and B-5 "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 \$4,844,483. 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," B-4 "Calculation of Charges," B-5 "Calculation of Charges," B-6 "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-8.** "Scope of Work for Tax Year 2018 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Return, Fiscal Year 2020 Business Registration Renewal Application, Tax Year 2019 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax/Commercial Rent Tax Annual Return, Account Update Application Updates, API configuration help, and Additional Professional Services Hours for Help with Internal Technology Integration Projects," attached, is hereby added to the Agreement.

**2d. Appendix B-6. Appendix B-6, "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.

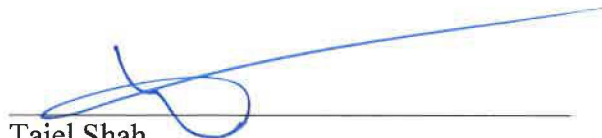
IN WITNESS WHEREOF, Contractor and City have executed this Amendment as of the date first referenced above.

**CITY**

**CONTRACTOR**

Recommended by:

21 Tech, LLC.



Tajel Shah  
Chief Assistant Treasurer  
Office of the Treasurer & Tax Collector

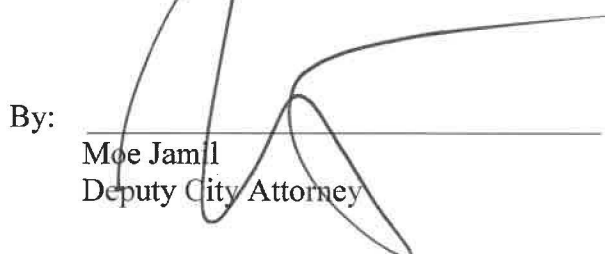


Azhar Mahmood  
Managing Manager

City vendor number: 37769

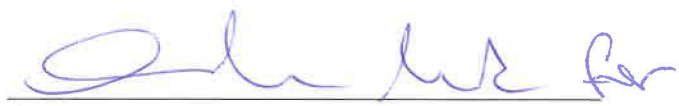
Approved as to Form:

Dennis J. Herrera  
City Attorney

By: 

Moe Jamil  
Deputy City Attorney

Approved:



Alaric Degrafinried  
Director of the Office of Contract  
Administration, and Purchaser

Received By:  
JAN 22 '19 PM 4:22  
Purchasing Department

## Appendix A-8

### **Scope of Work for Tax Year 2018 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Return, Fiscal Year 2020 Business Registration Renewal Application, Tax Year 2019 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax/Commercial Rent Tax Annual Return, Account Update Application Updates, API configuration help, and Additional Professional Services Hours for Help with Internal Technology Integration Projects.**

#### **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-7. Each of the project events will be completed for each of the listed project items below provided the first event is executed.

- a. Tax year 2018 Gross Receipts Tax / Payroll Expense Tax / Administrative Office Tax Annual Return: Update and refine from the 2017 application to meet the needs for the 2018 filing, include four reports and documentation.
- b. Fiscal Year 2020 Business Registration Renewal Application: Update and refine from the Fiscal Year 2019 application.
- c. Account Update Application changes to reflect updated business requirements and functionality.
- d. Additional professional services hours for change requests related to online applications, the business account number payment portal, API work or other related tasks, if needed.
- e. Tax year 2019 Gross Receipts Tax / Payroll Expense Tax / Administrative Office Tax / Commercial Rent Tax Annual Return: Update and refine from the 2018

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 Scope 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.

**Appendix B-6  
Calculation of Charges**

In accordance with Section 5, "Compensation," of this Agreement, Contractor shall receive an amount not to exceed \$4,844,483 in compensation for professional services rendered. The breakdown of charges for Appendix A-8 "**Scope of Work for Tax Year 2018 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Return, Fiscal Year 2020 Business Registration Renewal Application, Tax Year 2019 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax/Commercial Rent Tax Annual Return, Account Update Application Updates, API configuration help, and Additional Professional Services Hours for Help with Internal Technology Integration Projects**" is as detailed below.

Tax Year 2018 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax Annual Return

This sub project will be executed as fixed bid project with following fees.

Milestone Number	Key Deliverables	Payment Amount
GR2018-1	<ul style="list-style-type: none"> <li>a) Contractor conducts requirements gathering sessions(s) as needed</li> <li>b) Contractor drafts Customer Requirements Document (CRD)</li> <li>c) CRD is reviewed with the City</li> <li>d) CRD is revised by the Contractor</li> <li>e) Scope of Work (SOW) created by Contractor based on CRD</li> <li>f) City signs off on CRD and SOW</li> <li>g) Project management</li> </ul>	\$9,850
GR2018-2	<ul style="list-style-type: none"> <li>a) Contractor delivers application, database(s), and reports (if applicable) in test environment</li> <li>b) First round of User Acceptance Testing (UAT1) led by City</li> <li>c) Approval of UAT 1 by the City</li> <li>d) Project management</li> </ul>	\$9,850
GR2018-3	<ul style="list-style-type: none"> <li>a) Contractor completes "pre-true up" in preparation for annual form</li> </ul>	\$4,950
GR2018-4	<ul style="list-style-type: none"> <li>a) Pull payments real time from Aumentum to display in the annual form</li> </ul>	\$3,300
GR2018-5	<ul style="list-style-type: none"> <li>a) Add Commercial Rent Informational Return page to form</li> <li>b) Add Commercial Rent Informational Return data to SQL tables</li> </ul>	\$3,960 \$3,960
GR2018-6	<ul style="list-style-type: none"> <li>a) Add workflow trigger data elements to SQL tables</li> </ul>	\$1,650
GR2018-7	<ul style="list-style-type: none"> <li>b) Add construction subcontractor "popup"</li> </ul>	\$6,600
GR2018-8	<ul style="list-style-type: none"> <li>a) Update payment application logic on Obligation Summary page</li> </ul>	\$2,330



RG2020-2	<ul style="list-style-type: none"> <li>a) Contractor delivers application and database(s) in test environment</li> <li>b) First round of User Acceptance Testing (UAT1) led by City</li> <li>c) Approval of UAT 1 by the City</li> <li>d) Project management</li> </ul>	\$12,500
RG2020-3	<ul style="list-style-type: none"> <li>a) Contractor delivers UAT 1 bug fixes for the application and database(s) in test environment</li> <li>b) Project management</li> </ul>	\$12,500
RG2020-4	<ul style="list-style-type: none"> <li>a) Second Round of User Acceptance Testing (UAT 2) led by the City</li> <li>b) Approval of UAT 2 by the City</li> <li>c) Project management</li> </ul>	\$12,500
RG2020-5	<ul style="list-style-type: none"> <li>a) Contractor delivers application and database(s) in production environment</li> <li>b) Project management</li> </ul>	\$12,500
RG2020-6	<ul style="list-style-type: none"> <li>a) City accepts delivery of the application and database(s) in production environment ("GO LIVE")</li> <li>b) Project management</li> </ul>	\$12,500
RG2020-7	<ul style="list-style-type: none"> <li>a) Contractor completes thirty (30) calendar days of post GO LIVE bug fixes</li> <li>b) Project management</li> </ul>	\$12,500
RG2020-8	<ul style="list-style-type: none"> <li>a) Project closure &amp; knowledge transfer using CRD, SOW, and related Discovery artifacts, including training and technical documentation</li> <li>b) Project management</li> </ul>	\$12,500
		\$100,000

Tax Year 2019 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax/Commercial Rent Tax Annual Return

This sub project will be executed as fixed bid project with following fees.

Milestone Number	Key Deliverables	Payment Amount
GR2019-1	<ul style="list-style-type: none"> <li>h) Contractor conducts requirements gathering sessions(s) as needed</li> <li>i) Contractor drafts Customer Requirements Document (CRD)</li> <li>j) CRD is reviewed with the City</li> <li>k) CRD is revised by the Contractor</li> <li>l) Scope of Work (SOW) created by Contractor based on CRD</li> <li>m) City signs off on CRD and SOW</li> <li>n) Project management</li> </ul>	\$9,900

Agreement includes all 300 hours (\$49,500) for these services, the City shall only be liable for payment for the hours used. The hours for API configuration will be documented and approved prior to the usage. The Contractor shall separately bill and invoice these hours upon completion of the documented deliverable. Contractor will provide timely status updates to the City.

Additional Professional Service Hours – Time and Material

This sub project will be executed as Time and Material project with following fees.

Contractor shall receive additional professional services fees not to exceed \$82,500. The Contractor shall charge the City \$165 per hour for such services. Although section 5 “Compensation” of this Agreement includes all 500 additional professional services hours (\$82,500), 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. Contractor will provide timely status updates to the City.