

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

**Eighth Amendment**

THIS AMENDMENT (this “Amendment”) is made as of December 2, 2019, 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 extend the performance period and increase the contract amount;

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,
Second amendment,	dated March 1, 2015,
Third amendment,	dated July 28, 2015,
Fourth amendment,	dated August 15, 2016,
Fifth amendment,	dated March 20, 2017,
Sixth amendment,	dated May 15, 2018, and
Seventh amendment,	dated November 1, 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 2.** Section 2, **Term of the Agreement**, currently reads as follows:

**2. Term of Agreement.** Subject to Section I, the term of this Agreement shall be from May 31, 2013 to December 31, 2020.

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

**2. Term of Agreement.** Subject to Section I, the term of this Agreement shall be from May 31, 2013 to June 30, 2022.

**2b. Section 4.** Section 4, **Services Contractor Agrees to Perform**, 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," 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.

**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," 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," and A-9, "Change to Scope of Work for Tax Year 2019 Annual Business Tax Return and Fiscal Year 2021 Business Registration Renewal Application," attached hereto and incorporated by reference as though fully set forth herein.

**2c. Section 5.** Section 5, **Compensation**, 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 **\$4,844,483**. 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.

**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 **\$5,202,483**. 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," and B-7 "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.

**2d. Appendix A-9.** "Change to Scope of Work for Tax Year 2019 Annual Business Tax Return and Fiscal Year 2021 Business Registration Renewal Application," attached, is hereby added to the Agreement.

**2e. Appendix B-7.** Appendix B-7, "Calculation of Charges," attached, is hereby added to the Agreement.

**2f. Distribution of Beverages and Water.** Section 62 is hereby added to the Agreement as follows:

**62. Distribution of Beverages and Water.**

**62a. Sugar-Sweetened Beverage Prohibition.** Contractor agrees that it shall not sell, provide, or otherwise distribute Sugar-Sweetened Beverages, as defined by San Francisco Administrative Code Chapter 101, as part of its performance of this Agreement.

**62b. Packaged Water Prohibition.** Contractor agrees that it shall not sell, provide, or otherwise distribute Packaged Water, as defined by San Francisco Environment Code Chapter 24, as part of its performance of this Agreement.

**2g. Limitations on Contributions.** Section 42 is hereby replaced in its entirety as follows:

**42. Limitations on Contributions.** By executing this Agreement, Contractor acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with, or is seeking a contract with, any department of 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, for a grant, loan or loan guarantee, or for a development agreement, from making any campaign contribution to (i) a City elected official if the contract must be approved by that official, a board on which that official serves, or the board of a state agency on which an appointee of that official serves, (ii) a candidate for that City elective office, or (iii) a committee controlled by such elected official or a candidate for that office, at any time from the submission of a proposal for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the City approves the contract. 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 10% in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Contractor certifies that it has informed each such person of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for the contract, and has provided the names of the persons required to be informed to the City department with whom it is contracting.

**2h. Withholding.** Section 10 is hereby added to "Taxes" to read as follows:

**10.c. Withholding.** Contractor agrees that it is obligated to pay all amounts due to the City under the San Francisco Business and Tax Regulations Code during the term of this Agreement. Pursuant to Section 6.10-2 of the San Francisco Business and Tax Regulations Code, Contractor further acknowledges and agrees that City may withhold any payments due to Contractor under this Agreement if Contractor is delinquent in the payment of any amount required to be paid to the City under the San Francisco Business and Tax Regulations Code. Any payments withheld under this paragraph shall be made to Contractor, without interest, upon Contractor coming back into compliance with its obligations.

**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.

DocuSigned by:  
*Tajel Shah*  
F45D3F78545F404...  
Tajel Shah  
Chief Assistant Treasurer  
Office of the Treasurer and Tax Collector

DocuSigned by:  
*Azhar Mahmood*  
0A7299E6FB8D446...  
Azhar Mahmood  
Managing Manager  
1390 Market Street, Suite 1202  
San Francisco, CA 94102

Approved as to Form:

City vendor number: 37769  
City supplier number: 1000003753

Dennis J. Herrera  
City Attorney

By: DocuSigned by:  
*Moe Jamil*  
DBDA121BAB35448...  
Moe Jamil  
Deputy City Attorney

Approved:

DocuSigned by:  
*Alaric Degrafinried*  
9AFA44694D514E7...  
Alaric Degrafinried  
Director of the Office of Contract  
Administration, and Purchaser

## **Appendix A-9**

### **Change to Scope of Work for Tax Year 2019 Annual Business Tax Return and Fiscal Year 2021 Business Registration Renewal Application**

#### **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 2019 Gross Receipts Tax/Payroll Expense Tax/Administrative Office Tax/Homelessness Gross Receipts/Homelessness Administrative Office Tax/Commercial Rent Tax Annual Return (Annual Business Tax Return)
- b. Fiscal Year 2021 Business Registration Renewal Application

#### **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.

#### **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 applications 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.
- h. Alanna Wheatley will be the TTX point of contact for Contractor. Questions, deliverable acceptance forms, invoices and other questions and approvals related to this amendment will be routed through her. She will escalate as appropriate within TTX.

**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 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.
6	Scope of Work (SOW) created by Contractor based on the CRD.
7	CRD and 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 CRD, the 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-7 Calculation of Charges**

In accordance with Section 5, “Compensation,” of this Agreement, Contractor shall receive an amount not to exceed **\$5,202,483** in compensation for professional services rendered. The breakdown of charges for Appendix A-9 “Change to Scope of Work for Tax Year 2019 Annual Business Tax Return and Fiscal Year 2021 Business Registration Renewal Application” is as detailed below.

### **Change to Scope of Work for Tax Year 2019 Annual Business Tax Return**

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

Milestone Number	Key Deliverables	Payment Amount
ABT2019-1	Modify online form flow from one user engagement to siloed filings	\$65,000
ABT2019-2	Pull tax and penalty details back from Aumentum to display on courtesy calculation pages	\$25,000
ABT2019-3	Modify Quarterly posting logic	\$15,000
ABT2019-4	Modify API posting logic and flow	\$20,000
ABT2019-5	Prescribed form flow related to extension filers	\$10,000
ABT2019-6	Prescribed form flow for Combined Groups	\$10,000
ABT2019-7	Prescribed form flow for Residential Lessors	\$5,000
ABT2019-8	Prescribed form flow for Tax Credits & Exclusions	\$10,000
ABT2019-9	Build flow, triggers and logic related to Homelessness Gross Receipts Tax	\$6,000
ABT2019-10	Build flow, triggers and logic related to Homelessness Administrative Office Tax	\$6,000
ABT2019-11	Build flow, triggers and logic related to Homelessness Gross Receipts and AOT Tax Gift and Waivers	\$6,000
ABT2019-12	Add survey questions page	\$10,000
ABT2019-13	Revamp the HTML of the filing	\$6,000
ABT2019-14	Additional reports for Commercial Rent, Homelessness Gross Receipts, Homelessness AOT	\$18,000
ABT2019-15	Add Commercial Rent Tax Filing <ul style="list-style-type: none"> <li>a. Add filing by location</li> <li>b. Pull location data from Aumentum to display for selection</li> </ul>	\$16,000

	<ul style="list-style-type: none"> <li>c. Add upload function for documentation</li> <li>d. Workflow triggers related to Commercial Rent Tax</li> </ul>	
ABT2019-16	Change Construction Subcontractor Exclusion <ul style="list-style-type: none"> <li>a. Change the flow to mitigate performance issues</li> <li>b. Add upload function for data (mimic parking tax online)</li> </ul>	\$10,000
ABT2019-17	Add Combined Group functionality to AOT filing	\$20,000
<b>Total</b>		<b>\$258,000</b>

**Fiscal Year 2021 Business Registration Renewal Application**

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

Milestone Number	Key Deliverables	Payment Amount
RG2021-1	<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>	\$12,500
RG2021-2	<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
RG2021-3	<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
RG2021-4	<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
RG2021-5	<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
RG2021-6	<ul style="list-style-type: none"> <li>a) City accepts delivery of the application and database(s) in</li> </ul>	\$12,500

	production environment (“GO LIVE”) b) Project management	
RG2021-7	a) Contractor completes thirty (30) calendar days of post GO LIVE bug fixes b) Project management	\$12,500
RG2021-8	a) Project closure & knowledge transfer using CRD, SOW, and related Discovery artifacts, including training and technical documentation b) Project management	\$12,500
<b>Total</b>		<b>\$100,000</b>