

**AMENDMENT NO. 1 TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR
(CONTRACT NO. BC-13107)**

This Amendment No. 1 hereby amends the Agreement dated April 9, 2013 between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY), and Simpler Systems, Inc., a California corporation (Simpler Systems), having its principal place of business at 627 Island View Drive, Santa Barbara, California 93109 (hereafter CONTRACTOR).

WHEREAS, CONTRACTOR has been providing consulting and assistance to COUNTY, including, assisting the Auditor in implementation of the Property Tax System for COUNTY; and

WHEREAS, COUNTY finds it necessary to extend CONTRACTOR's contractual services for COUNTY, including, but not limited to, working with COUNTY to complete implementation of the Property Tax System, and to provide consulting, system testing, documentation and training; and

WHEREAS, the parties wish to extend the term and increase the not-to-exceed amount of the Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the COUNTY and CONTRACTOR hereby amend the Agreement as follows:

1. Section 4, Term, is replaced by the following: CONTRACTOR shall commence performance on April 9, 2013 and end performance upon completion, but no later than June 30, 2015, unless otherwise directed by COUNTY or unless earlier terminated.
2. Exhibit A is replaced by the attached Exhibit A.
3. Exhibit B, Section A is hereby amended to read as follows: "For CONTRACTOR services to be rendered under this Agreement, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$350,000."
4. Attachment B1 is replaced by the attached Attachment B1.
5. Exhibit C is replaced by the attached Exhibit C.

The listed hourly rates in the Agreement shall remain the same throughout the revised term of the Agreement. All other terms remain in full force and effect.

Amendment No. 1 to Agreement for Services of Independent Contractor between the County of Santa Barbara and Simpler Systems, Inc.

IN WITNESS WHEREOF, the parties have executed this Amendment No.1 to be effective on the date executed by COUNTY.

ATTEST:
MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

COUNTY OF SANTA BARBARA

By: _____
Deputy Clerk

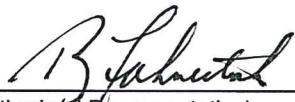
By: _____
Chair, Board of Supervisors

Date: _____

RECOMMENDED FOR APPROVAL:
DEPARTMENT HEAD

CONTRACTOR:
SIMPLER SYSTEMS, INC.

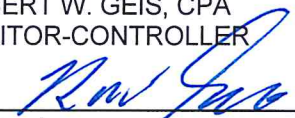
By: 
Department Head

By: 
(Authorized Representative)
Name: Brian Fahnestock
Title: V.P.

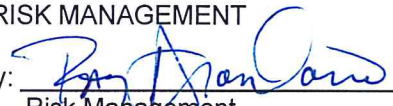
APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: 
Deputy County Counsel

By: 
Deputy

APPROVED AS TO FORM:
RISK MANAGEMENT

By: 
Risk Management

Amendment No. 1 to Agreement for Services of Independent Contractor between the County of Santa Barbara and Simpler Systems, Inc.

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ATTEST:
MONA MIYASATO
COUNTY EXECUTIVE OFFICER
CLERK OF THE BOARD

COUNTY OF SANTA BARBARA

By: _____
Deputy Clerk


By: _____
Chair, Board of Supervisors

Date: _____

RECOMMENDED FOR APPROVAL:
DEPARTMENT HEAD

CONTRACTOR:
SIMPLER SYSTEMS, INC.

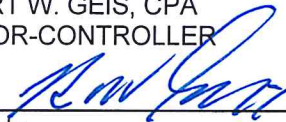
By: 
Department Head

By: 
(Authorized Representative)
Name: Brian Fahnestock
Title: V.P.

APPROVED AS TO FORM:
MICHAEL C. GHIZZONI
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: 
Deputy County Counsel

By: 
Deputy

APPROVED AS TO FORM:
RISK MANAGEMENT

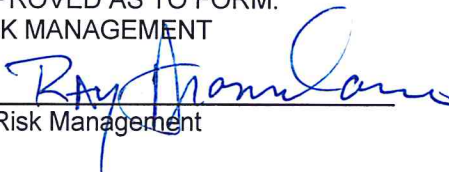
By: 
Risk Management

EXHIBIT A
STATEMENT OF WORK
GRM Reports Project Proposal: Phase 1
Work Description for Simpler Systems

Introduction

This document defines the project work to be done by CONTRACTOR for the COUNTY in support of the property tax system replacement project. Because this contract supersedes and replaces existing P.O. CN13924 covering system architecture, programming and consulting related to multiple other County financial system applications, those on request services are also included in this contract.

The first phase of this reporting project will include the following work: 1) development of minimum basic reports needed to support property tax processing and operations, 2) assistance with conversion of historical data from existing mainframe system to GRM, and 3) other implementation tasks as assigned. A future second phase, post GRM implementation, will include 1) additional reports for analysis and management review, and 2) additional system development tasks as assigned.

Project Timeline

The estimated go live date for GRM is July of 2014.

Reports development work will start in January 2013 and span until the go live date. Depending on the scope of the reports needed as determined during the gap reconciliation, more development may be needed after go live. It is also anticipated that additional work may be needed up to a few months after that date to help answer questions, fix bugs, and ultimately transition support back to COUNTY staff.

Data conversion work began January 2013 under a prior P.O. and will span until the go live date. Other implementation tasks, such as assistance with system interfaces and related system modifications, may be required. Additional system changes may be needed after go live.

The second phase of the reports development work and system enhancements is anticipated to commence after six to nine months of processing using GRM.

Project Management

The COUNTY technical project manager is Amy Herron, Financial Systems Division Chief in the Auditor-Controller's office. Project work will be coordinated with a designated CONTRACTOR project manager, Trevor Lysek. The CONTRACTOR project manager will assign resources as appropriate to complete the project work. The project managers will jointly prepare a weekly status update for this project.

All project work files, including written code and documentation, will be stored on COUNTY servers. Source code for the Simpler reporting code libraries is already licensed under the COUNTY existing contract with CONTRACTOR. Additional custom code and reporting frameworks developed by CONTRACTOR will be owned by CONTRACTOR which retains exclusive rights to its further sale, distribution and installation at other agencies. All custom code that is developed for the project may be checked into the COUNTY Subversion source control database and may be modified as necessary by COUNTY staff.

Reporting website will be hosted by the COUNTY.

Remote access will be configured for assigned CONTRACTOR staff and a virtual workstation will be provided.

Project Work Description & Deliverables

This project will include the following major tasks:

1. Learn the GRM database model, attend & view training sessions
2. Develop queries and/or views against GRM data
3. Analysis to determine if separate reporting warehouse for querying is needed
4. Set up a fully functioning property tax reporting website for the County
5. Determine authentication method (County Passport or GRM web service)
6. Define and create basic CONTRACTOR reports against the County's existing PropTaxMainframe database that will allow users to extract and compare information from a selection of all tables & columns
7. Define and create CONTRACTOR reports against the new GRM database:
 - Basic reports (show all tables & columns) and views
 - Summaries to help tie out data conversion totals
 - Inquiry screen to look up individual bills (drill down to from summaries)
 - List of reports selected to develop internally per GRM gap reconciliation
 - Additional reports to be determined
8. Build functionality to allow users to save report definitions for future use
9. Assistance with creating SSRS reports in GRM as needed
10. Provide basic reports training & documentation for users
11. Provide technical training & documentation for County developers
12. Assistance with conversion of historical data from mainframe to GRM
13. Other implementation & system development tasks for property tax systems as needed

The majority of the work is expected to start in April 2013 and complete in July 2014. The plan is to roll out the reports in phases. Contractor will deliver major project work products according to the following schedule:

January 2013

- GRM database model training (#1 above)
- Set up infrastructure needed for development – County
- Basic reports against tables in PropTaxMainframe (#6 above)

February – April 2013

- GRM Inquiry screens (#7 above)
- GRM Summary reports (#7 above)
- Testing & validation, user documentation & training, roll out to users (#11 above)

May 2013 – July 2014 (go live)

- GRM Gap recon list (#7 above)
- Additional requirements & updates identified

August 2014 – June 2015

- Additional requirements & updates identified (#13 above)

Work Associated with Financial Systems Other Than GRM

Because this contract supersedes and replaces existing P.O. CN13924 covering system architecture, programming and consulting related to multiple other County financial system applications, those on request services are also included in this contract and scope of work.

Suspension for Convenience. COUNTY may, without cause, order CONTRACTOR in writing to suspend, delay, or interrupt the services under this Agreement in whole or in part. COUNTY shall incur no liability for suspension under this provision and suspension shall not constitute a breach of this Agreement.

Attachment B1

Project manager:

Hourly rate = \$165

Estimated hours = 909

Estimated fees = \$150,000

Project staff:

Hourly rate = \$165

Estimated hours = 1212

Estimated fees = \$200,000

Contract Not To Exceed \$350,000

EXHIBIT C

Indemnification and Insurance Requirements (For Professional Service Contracts)

INDEMNIFICATION

CONTRACTOR agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its officers, officials, employees, agents and volunteers from and against any and all claims, actions, losses, damages, judgments and/or liabilities arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person or entity and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. CONTRACTOR's indemnification obligation applies to COUNTY's active as well as passive negligence but does not apply to COUNTY's sole negligence or willful misconduct.

NOTIFICATION OF ACCIDENTS AND SURVIVAL OF INDEMNIFICATION PROVISIONS

CONTRACTOR shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. The indemnification provisions in this Agreement shall survive any expiration or termination of this Agreement.

INSURANCE

CONTRACTOR shall procure and maintain for the duration of this Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the CONTRACTOR, his agents, representatives, employees or subcontractors.

A. Minimum Scope of Insurance

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products-completed operations, personal & advertising injury, with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate.
2. **Automobile Liability:** ISO Form Number CA 00 01 covering any auto (Code 1), or if CONTRACTOR has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$1,000,000 per accident for bodily injury and property damage.
3. **Workers' Compensation:** as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

If the CONTRACTOR maintains higher limits than the minimums shown above, the COUNTY requires and shall be entitled to coverage for the higher limits maintained by the CONTRACTOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the COUNTY.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

1. **Additional Insured** – COUNTY, its officers, officials, employees, agents and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the CONTRACTOR including materials, parts, or equipment furnished in connection with such work or operations. General liability

coverage can be provided in the form of an endorsement to the CONTRACTOR's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used).

2. **Primary Coverage** – For any claims related to this Agreement, the CONTRACTOR's insurance coverage shall be primary insurance as respects the COUNTY, its officers, officials, employees, agents and volunteers. Any insurance or self-insurance maintained by the COUNTY, its officers, officials, employees, agents or volunteers shall be excess of the CONTRACTOR's insurance and shall not contribute with it.
3. **Notice of Cancellation** – Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the COUNTY.
4. **Waiver of Subrogation Rights** – CONTRACTOR hereby grants to COUNTY a waiver of any right to subrogation which any insurer of said CONTRACTOR may acquire against the COUNTY by virtue of the payment of any loss under such insurance. CONTRACTOR agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the COUNTY has received a waiver of subrogation endorsement from the insurer.
5. **Deductibles and Self-Insured Retention** – Any deductibles or self-insured retentions must be declared to and approved by the COUNTY. The COUNTY may require the CONTRACTOR to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.
6. **Acceptability of Insurers** – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A- VII".
7. **Verification of Coverage** – CONTRACTOR shall furnish the COUNTY with proof of insurance, original certificates and amendatory endorsements as required by this Agreement. The proof of insurance, certificates and endorsements are to be received and approved by the COUNTY before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the CONTRACTOR's obligation to provide them. The COUNTY reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.
8. **Failure to Procure Coverage** – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to terminate the Agreement.
9. **Claims Made Policies** – If any of the required policies provide coverage on a claims-made basis:
 - i. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
 - ii. Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract of work.
 - iii. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the CONTRACTOR must purchase "extended reporting" coverage for a minimum of three (3) years after completion of contract work.
10. **Special Risks or Circumstances** – COUNTY reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.

AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR
Exhibit II to Board Letter

THIS AGREEMENT (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and Simpler Systems, Inc., a California corporation (Simpler Systems), having its principal place of business at 627 Island View Drive, Santa Barbara, California 93109 (hereafter CONTRACTOR) wherein CONTRACTOR agrees to provide and COUNTY agrees to accept the services specified herein.

WHEREAS, COUNTY has signed a contract with Thomson Reuters to implement a new property tax system called GRM to replace its 35-year old mainframe system; and

WHEREAS, the Thomson Reuters contract does not cover all of the base reports that the County needs to support its business processes, or the enhanced reporting currently lacking that the County seeks; and

WHEREAS, the GRM project requires conversion of historical property tax data from the existing mainframe and other systems; and

WHEREAS, the Thomson Reuters contract does not replace all County property tax system functionality, so interfaces and development of additional systems will be required; and

WHEREAS, COUNTY needs assistance with the implementation of GRM and related property tax systems; and

WHEREAS, COUNTY had previously executed Purchase Order #CN13924 with the CONTRACTOR for consulting and programming services for the FY2012-13 in the amount of \$70,000: and

WHEREAS, the services to be provided in this contract exceed the Purchasing Agent's approval amount, this contract is intended to replace the existing Purchase Order; and

WHEREAS, COUNTY desires to have these steps completed and CONTRACTOR has the capacity to assist the COUNTY and desires to provide those services; and

WHEREAS, CONTRACTOR represents that it is specially trained, skilled, experienced, and competent to perform the special services required by COUNTY and COUNTY desires to retain the services of CONTRACTOR pursuant to the terms, covenants, and conditions herein set forth;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1. **DESIGNATED REPRESENTATIVE.** Theo Fallati, Assistant Auditor-Controller, at phone number (805) 568-2102 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. Rick Schaffer, President, Simpler Systems, at phone number (805) 962-6698 is the authorized representative for CONTRACTOR. Changes in designated representatives shall be made only after advance written notice to the other party.

2. **NOTICES.** Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by personal delivery or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To COUNTY: Theo Fallati
Assistant Auditor-Controller
105 E Anapamu St.
Santa Barbara, CA 93101
(805) 568-2016 (fax)

To CONTRACTOR: Rick Schaffer
Simpler Systems, Inc.
627 Island View Drive
Santa Barbara, CA 93109
(805) 882-1855 (fax)

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

3. **SCOPE OF SERVICES.** CONTRACTOR agrees to provide services to COUNTY in accordance with EXHIBIT A attached hereto and incorporated herein by reference.

4. **TERM.** CONTRACTOR shall commence performance on April 9, 2013 and end performance upon completion, but no later than June 30, 2014 unless otherwise directed by COUNTY or unless earlier terminated.

5. **COMPENSATION OF CONTRACTOR.** In full consideration for CONTRACTOR's services, CONTRACTOR shall be paid for performance under this Agreement in accordance with the terms of EXHIBIT B attached hereto and incorporated herein by reference. Billing shall be made by invoice, which shall include the contract number assigned by COUNTY and which is delivered to the address given in Section 2 **NOTICES.** above following completion of the increments identified on EXHIBIT B. Unless otherwise specified on EXHIBIT B, payment shall be net thirty (30) days from presentation of invoice.

6. **INDEPENDENT CONTRACTOR.** It is mutually understood and agreed that CONTRACTOR, (including any and all of its officers, agents, and employees), shall perform all of its services under this Agreement as an independent contractor as to COUNTY and not as an officer, agent, servant, employee, joint venturer, partner, or associate of COUNTY. Furthermore, COUNTY shall have no right to control, supervise, or direct the manner or method by which CONTRACTOR shall perform its work and function. However, COUNTY shall retain the right to administer this Agreement so as to verify that CONTRACTOR is performing its obligations in accordance with the terms and conditions hereof. CONTRACTOR understands and acknowledges that it shall not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure. CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, CONTRACTOR shall be solely responsible and save COUNTY harmless from all matters relating to payment of CONTRACTOR's employees, including compliance with Social Security withholding and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, CONTRACTOR may be providing services to others unrelated to the COUNTY or to this Agreement.

7. **STANDARD OF PERFORMANCE.** CONTRACTOR represents that it has the skills, expertise, and licenses/permits necessary to perform the services required under this Agreement.

Accordingly, CONTRACTOR shall perform all such services in the manner and according to the standards observed by a competent practitioner of the same profession in which CONTRACTOR is engaged. All products of whatsoever nature, which CONTRACTOR delivers to COUNTY pursuant to this Agreement, shall be prepared in a first class and workmanlike manner and shall conform to the standards of quality normally observed by a person practicing in CONTRACTOR's profession. CONTRACTOR shall correct or revise any errors or omissions, at COUNTY'S request without additional compensation. All required permits and/or licenses shall be obtained and maintained by CONTRACTOR without additional compensation.

8. **DEBARMENT AND SUSPENSION.** CONTRACTOR certifies to COUNTY that it and its employees and principals are not debarred, suspended, or otherwise excluded from or ineligible for, participation in federal, state or county government contracts. CONTRACTOR certifies that it shall not contract with a subcontractor that is so debarred or suspended.

9. **TAXES.** CONTRACTOR shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement and shall make any and all payroll deductions required by law. COUNTY shall not be responsible for paying any taxes on CONTRACTOR's behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, CONTRACTOR agrees to promptly reimburse COUNTY for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

10. **CONFLICT OF INTEREST.** CONTRACTOR covenants that CONTRACTOR presently has no employment or interest and shall not acquire any employment or interest, direct or indirect, including any interest in any business, property, or source of income, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by CONTRACTOR. COUNTY retains the right to waive a conflict of interest disclosed by CONTRACTOR if COUNTY determines it to be immaterial, and such waiver is only effective if provided by COUNTY to CONTRACTOR in writing.

11. **OWNERSHIP OF DOCUMENTS AND INTELLECTUAL PROPERTY.** COUNTY shall be the owner of the following items incidental to this Agreement upon production, whether or not completed: all data collected, all documents of any type whatsoever, all photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials, and any material necessary for the practical use of such items, from the time of collection and/or production whether or not performance under this Agreement is completed or terminated prior to completion. CONTRACTOR shall not release any of such items to other parties except after prior written approval of COUNTY. Unless otherwise specified in Exhibit A, CONTRACTOR hereby assigns to COUNTY all copyright, patent, and other intellectual property and proprietary rights to all data, documents, reports, photos, designs, sound or audiovisual recordings, software code, inventions, technologies, and other materials prepared or provided by CONTRACTOR pursuant to this Agreement (collectively referred to herein as "Copyrightable Works and Inventions"). Unless otherwise specified in Exhibit A, COUNTY shall have the unrestricted authority to copy, adapt, perform, display, publish, disclose, distribute, create derivative works from, and otherwise use in whole or in part, any Copyrightable Works and Inventions. CONTRACTOR agrees to take such actions and execute and deliver such documents as may be needed to validate, protect and confirm the rights and assignments provided hereunder. CONTRACTOR warrants that any Copyrightable Works and Inventions and other items provided under this Agreement will not infringe upon any intellectual property or proprietary rights of any third party. CONTRACTOR at its own expense shall defend, indemnify, and hold harmless COUNTY against any claim that any Copyrightable Works or Inventions or other items provided by

CONTRACTOR hereunder infringe upon any intellectual property or other proprietary rights of a third party, and CONTRACTOR shall pay any damages, costs, settlement amounts, and fees (including attorneys' fees) that may be incurred by COUNTY in connection with any such claims. This Ownership of Documents and Intellectual Property provision shall survive expiration or termination of the Agreement.

12. **NO PUBLICITY OR ENDORSEMENT.** CONTRACTOR shall not use COUNTY's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. CONTRACTOR shall not use COUNTY's name or logo in any manner that would give the appearance that the COUNTY is endorsing CONTRACTOR. CONTRACTOR shall not in any way contract on behalf of or in the name of COUNTY. CONTRACTOR shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the COUNTY or its projects without obtaining the prior written approval of COUNTY.

13. **COUNTY PROPERTY AND INFORMATION.** All of COUNTY's property, documents, and information provided for CONTRACTOR's use in connection with the services shall remain COUNTY's property, and CONTRACTOR shall return any such items whenever requested by COUNTY and whenever required according to the Termination section of this Agreement. CONTRACTOR may use such items only in connection with providing the services. CONTRACTOR shall not disseminate any COUNTY property, documents, or information without COUNTY's prior written consent.

14. **RECORDS, AUDIT, AND REVIEW.** CONTRACTOR shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of CONTRACTOR's profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting practices. COUNTY shall have the right to audit and review all such documents and records at any time during CONTRACTOR's regular business hours or upon reasonable notice. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00) CONTRACTOR shall be subject to the examination and audit of the State Auditor General for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). CONTRACTOR shall participate in any audits and review, whether by COUNTY or the State, at no charge to COUNTY.

15. **INDEMNIFICATION AND INSURANCE.** CONTRACTOR agrees to defend, indemnify and save harmless the COUNTY and to procure and maintain insurance in accordance with the provisions of EXHIBIT C attached hereto and incorporated herein by reference.

16. **NONDISCRIMINATION.** COUNTY hereby notifies CONTRACTOR that COUNTY's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and CONTRACTOR agrees to comply with said ordinance.

17. **NONEXCLUSIVE AGREEMENT.** CONTRACTOR understands that this is not an exclusive agreement and that COUNTY shall have the right to negotiate with and enter into contracts with others providing the same or similar services as those provided by CONTRACTOR as the COUNTY desires.

18. **NON-ASSIGNMENT.** CONTRACTOR shall not assign, transfer or subcontract this Agreement or any of its rights or obligations under this Agreement without the prior written consent of COUNTY and any attempt to so assign, subcontract or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

19. **TERMINATION.** A. **By COUNTY.** COUNTY may, by written notice to CONTRACTOR, terminate this Agreement in whole or in part, whether for COUNTY's convenience, for nonappropriation of funds, or because of the failure of CONTRACTOR to fulfill the obligations herein.

1. For Convenience. COUNTY may terminate this Agreement in whole or in part upon thirty (30) days written notice. During the thirty (30) day period, CONTRACTOR shall, as directed by COUNTY, wind down and cease its services as quickly and efficiently as reasonably possible, without performing unnecessary services or activities and by minimizing negative effects on COUNTY from such winding down and cessation of services.

2. For Nonappropriation of Funds. Notwithstanding any other provision of this Agreement, in the event that no funds or insufficient funds are appropriated or budgeted by federal, state or COUNTY governments, or funds are not otherwise available for payments in the fiscal year(s) covered by the term of this Agreement, then COUNTY will notify CONTRACTOR of such occurrence and COUNTY may terminate or suspend this Agreement in whole or in part, with or without a prior notice period. Subsequent to termination of this Agreement under this provision, COUNTY shall have no obligation to make payments with regard to the remainder of the term.

3. For Cause. Should CONTRACTOR default in the performance of this Agreement or materially breach any of its provisions, COUNTY may, at COUNTY's sole option, terminate or suspend this Agreement in whole or in part by written notice. Upon receipt of notice, CONTRACTOR shall immediately discontinue all services affected (unless the notice directs otherwise) and notify COUNTY as to the status of its performance. The date of termination shall be the date the notice is received by CONTRACTOR, unless the notice directs otherwise.

B. **By CONTRACTOR.** Should COUNTY fail to pay CONTRACTOR all or any part of the payment set forth in EXHIBIT B, CONTRACTOR may, at CONTRACTOR's option terminate this Agreement if such failure is not remedied by COUNTY within thirty (30) days of written notice to COUNTY of such late payment.

C. Upon termination, CONTRACTOR shall deliver to COUNTY all data, estimates, graphs, summaries, reports, and all other property, records, documents or papers as may have been accumulated or produced by CONTRACTOR in performing this Agreement, whether completed or in process, except such items as COUNTY may, by written permission, permit CONTRACTOR to retain. Notwithstanding any other payment provision of this Agreement, COUNTY shall pay CONTRACTOR for satisfactory services performed to the date of termination to include a prorated amount of compensation due hereunder less payments, if any, previously made. In no event shall CONTRACTOR be paid an amount in excess of the full price under this Agreement nor for profit on unperformed portions of service. CONTRACTOR shall furnish to COUNTY such financial information as in the judgment of COUNTY is necessary to determine the reasonable value of the services rendered by CONTRACTOR. In the event of a dispute as to the reasonable value of the services rendered by CONTRACTOR, the decision of COUNTY shall be final. The foregoing is cumulative and shall not affect any right or remedy which COUNTY may have in law or equity.

20. **SECTION HEADINGS.** The headings of the several sections, and any Table of Contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

21. **SEVERABILITY.** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

22. **REMEDIES NOT EXCLUSIVE.** No remedy herein conferred upon or reserved to COUNTY is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

23. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement and each covenant and term is a condition herein.

24. **NO WAIVER OF DEFAULT.** No delay or omission of COUNTY to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement to COUNTY shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of COUNTY.

25. **ENTIRE AGREEMENT AND AMENDMENT.** In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

26. **SUCCESSORS AND ASSIGNS.** All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

27. **COMPLIANCE WITH LAW.** CONTRACTOR shall, at its sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of CONTRACTOR in any action or proceeding against CONTRACTOR, whether COUNTY is a party thereto or not, that CONTRACTOR has violated any such ordinance or statute, shall be conclusive of that fact as between CONTRACTOR and COUNTY.

28. **CALIFORNIA LAW AND JURISDICTION.** This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

29. **EXECUTION OF COUNTERPARTS.** This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

30. **AUTHORITY.** All signatories and parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, CONTRACTOR hereby warrants that it shall not have breached the terms or

conditions of any other contract or agreement to which CONTRACTOR is obligated, which breach would have a material effect hereon.

31. **SURVIVAL.** All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

32. **PRECEDENCE.** In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections.

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Agreement for Services of Independent Contractor between the **County of Santa Barbara** and Simpler Systems, Inc.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

COUNTY OF SANTA BARBARA

By: 
Chair, Board of Supervisors

Date: 4-9-13

ATTEST:
CHANDRA L. WALLAR
CLERK OF THE BOARD

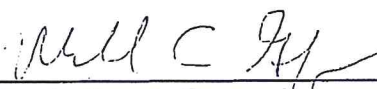
CONTRACTOR


By: 
Deputy

By: 
(Authorized Signature)
TaxID Number: 77-0491902

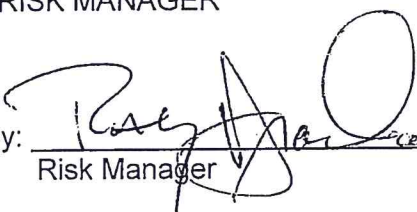
APPROVED AS TO FORM:
DENNIS A. MARSHALL
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: 
Deputy County Counsel

By: 
Deputy

APPROVED AS TO FORM:
RAY AROMATORIO,
RISK MANAGER

By: 
Risk Manager

**EXHIBIT A
STATEMENT OF WORK
GRM Reports Project Proposal: Phase 1
Work Description for Simpler Systems**

Introduction

This document defines the project work to be done by CONTRACTOR for the COUNTY in support of the property tax system replacement project. Because this contract supersedes and replaces existing P.O. CN13924 covering system architecture, programming and consulting related to multiple other County financial system applications, those on request services are also included in this contract.

The first phase of this reporting project will include the following work: 1) development of minimum basic reports needed to support property tax processing and operations, 2) assistance with conversion of historical data from existing mainframe system to GRM, and 3) other implementation tasks as assigned. A future second phase, post GRM implementation, will include 1) additional reports for analysis and management review, and 2) additional system development tasks as assigned.

Project Timeline

The estimated go live date for GRM is September of 2013.

Reports development work will start in January 2013 and span until the go live date. Depending on the scope of the reports needed as determined during the gap reconciliation, more development may be needed after go live. It is also anticipated that additional work may be needed up to a few months after that date to help answer questions, fix bugs, and ultimately transition support back to COUNTY staff.

Data conversion work began January 2013 under a prior P.O. and will span until the go live date. Other implementation tasks, such as assistance with system interfaces and related system modifications, may be required. Additional system changes may be needed after go live.

The second phase of the reports development work and system enhancements is anticipated to commence after six to nine months of processing using GRM.

Project Management

The COUNTY technical project manager is Amy Herron, Financial Systems Division Chief in the Auditor-Controller's office. Project work will be coordinated with a designated CONTRACTOR project manager, Trevor Lysek. The CONTRACTOR project manager will assign resources as appropriate to complete the project work. The project managers will jointly prepare a weekly status update for this project.

All project work files, including written code and documentation, will be stored on COUNTY servers. Source code for the Simpler reporting code libraries is already licensed under the COUNTY existing contract with CONTRACTOR. Additional custom code and reporting frameworks developed by CONTRACTOR will be owned by CONTRACTOR which retains exclusive rights to its further sale, distribution and installation at other agencies. All custom code that is developed for the project may be checked into the COUNTY Subversion source control database and may be modified as necessary by COUNTY staff.

Reporting website will be hosted by the COUNTY.

Remote access will be configured for assigned CONTRACTOR staff and a virtual workstation will be provided.

Project Work Description & Deliverables

This project will include the following major tasks:

1. Learn the GRM database model, attend & view training sessions
2. Develop queries and/or views against GRM data
3. Analysis to determine if separate reporting warehouse for querying is needed
4. Set up a fully functioning property tax reporting website for the County
5. Determine authentication method (County Passport or GRM web service)
6. Define and create basic CONTRACTOR reports against the County's existing PropTaxMainframe database that will allow users to extract and compare information from a selection of all tables & columns
7. Define and create CONTRACTOR reports against the new GRM database:
 - Basic reports (show all tables & columns) and views
 - Summaries to help tie out data conversion totals
 - Inquiry screen to look up individual bills (drill down to from summaries)
 - List of reports selected to develop internally per GRM gap reconciliation
 - Additional reports to be determined
8. Build functionality to allow users to save report definitions for future use
9. Assistance with creating SSRS reports in GRM as needed
10. Provide basic reports training & documentation for users
11. Provide technical training & documentation for County developers
12. Assistance with conversion of historical data from mainframe to GRM
13. Other implementation & system development tasks for property tax systems as needed

The majority of the work is expected to start in April and complete in September. The plan is to roll out the reports in phases. Contractor will deliver major project work products according to the following schedule:

January

- GRM database model training (#1 above)
- Set up infrastructure needed for development – County
- Basic reports against tables in PropTaxMainframe (#6 above)

February – April

- GRM Inquiry screens (#7 above)
- GRM Summary reports (#7 above)
- GRM Gap recon list (#7 above)
- Testing & validation, user documentation & training, roll out to users (#11 above)

May – September (go live)

- Additional requirements & updates identified

September 2013 – June 2014

- Additional requirements & updates identified (#13 above)

Work Associated with Financial Systems Other Than GRM

Because this contract supersedes and replaces existing P.O. CN13924 covering system architecture, programming and consulting related to multiple other County financial system applications, those on request services are also included in this contract and scope of work.

Suspension for Convenience. COUNTY may, without cause, order CONTRACTOR in writing to suspend, delay, or interrupt the services under this Agreement in whole or in part. COUNTY shall incur no liability for suspension under this provision and suspension shall not constitute a breach of this Agreement.

EXHIBIT B
PAYMENT ARRANGEMENTS
Periodic Compensation (with attached Schedule of Fees)

A. For CONTRACTOR services to be rendered under this Agreement, CONTRACTOR shall be paid a total contract amount, including cost reimbursements, not to exceed \$ **250,000**.

B. Payment for services and /or reimbursement of costs shall be made monthly upon CONTRACTOR's satisfactory performance, based upon the scope and methodology contained in **EXHIBIT A** as determined by COUNTY. Payment for services and/or reimbursement of costs shall be based upon the costs, expenses, overhead charges and hourly rates for personnel, as defined in **Attachment B1** (Schedule of Fees). Invoices submitted for payment that are based upon **Attachment B1** must contain sufficient detail to enable an audit of the charges and provide supporting documentation if so specified in **EXHIBIT A**.

C. Not more frequently than monthly, CONTRACTOR shall submit to the COUNTY DESIGNATED REPRESENTATIVE an invoice or certified claim on the County Treasury for the service performed over the period specified. These invoices or certified claims must cite the assigned Board Contract Number. COUNTY DESIGNATED REPRESENTATIVE shall evaluate the quality of the service performed and if found to be satisfactory and within the cost basis of **Attachment B1** shall initiate payment processing. COUNTY shall pay invoices or claims for satisfactory work within 30 days of receipt of correct and complete invoices or claims from CONTRACTOR.

D. COUNTY's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of COUNTY's right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.

Attachment B1

Project manager:

Hourly rate = \$165

Estimated hours = 909

Estimated fees = \$150,000

Project staff:

Hourly rate = \$165

Estimated hours = 606

Estimated fees = \$100,000

Contract Not To Exceed \$250,000

EXHIBIT C

STANDARD INDEMNIFICATION AND INSURANCE PROVISIONS

1. Indemnification – CONTRACTOR agrees to indemnify, defend (with counsel reasonably approved by COUNTY) and hold harmless COUNTY and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Agreement from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses (including but not limited to attorneys' fees) incurred by COUNTY on account of any claim except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. CONTRACTOR's indemnification obligation applies to COUNTY's "active" as well as "passive" negligence but does not apply to COUNTY's "sole negligence" or "willful misconduct" within the meaning of California Civil Code Section 2782. CONTRACTOR shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with this Agreement. This Indemnification provision shall survive any expiration or termination of this Agreement.

2. Additional Insured – All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability and Automobile Liability policies, shall contain endorsements naming COUNTY and its officers, employees, agents and volunteers as additional insureds with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for COUNTY to vicarious liability but shall allow coverage for COUNTY to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

3. Waiver of Subrogation Rights – CONTRACTOR shall require the carriers of required coverages to waive all rights of subrogation against COUNTY, its officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit CONTRACTOR and CONTRACTOR's employees or agents from waiving the right of subrogation prior to a loss or claim. CONTRACTOR hereby waives all rights of subrogation against COUNTY.

4. Policies Primary and Non-Contributory – All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by COUNTY.

5. Severability of Interests – CONTRACTOR agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between CONTRACTOR and COUNTY or between COUNTY and any other insured or additional insured under the policy.

6. Proof of Coverage – CONTRACTOR shall furnish Certificates of Insurance to the COUNTY Department administering the Agreement evidencing the insurance coverage, including endorsements, as required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department, and CONTRACTOR shall maintain such insurance from the time CONTRACTOR commences performance of services hereunder until the completion of such services. Immediately upon request of the COUNTY, CONTRACTOR shall provide complete certified copies of the insurance policies and endorsements.

7. Acceptability of Insurance Carrier – Unless otherwise approved by Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum A.M. Best's Insurance Guide rating of "A VII".

8. Deductibles and Self-Insured Retention - Any and all deductibles or self-insured retentions in excess of \$10,000 shall be declared to and approved by Risk Management.

9. Failure to Procure Coverage – In the event that any policy of insurance required under this Agreement does not comply with the requirements, is not procured, or is canceled and not replaced, COUNTY has the right but not the obligation or duty to cancel the Agreement or obtain insurance if it deems necessary and any premiums paid by COUNTY will be promptly reimbursed by CONTRACTOR or COUNTY payments to CONTRACTOR will be reduced to pay for COUNTY purchased insurance.

10. Insurance Review – Insurance requirements are subject to periodic review by COUNTY. The Risk Program Administrator or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of COUNTY. In addition, if the Department of Risk Management determines that heretofore unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Program Administrator or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against COUNTY, inflation, or any other item reasonably related to COUNTY's risk.

Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. CONTRACTOR agrees to execute any such amendment within thirty (30) days of receipt.

Any failure, actual or alleged, on the part of COUNTY to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of COUNTY.

11. Insurance Specifications – CONTRACTOR agrees to provide insurance set forth in accordance with the requirements herein. If CONTRACTOR uses existing coverage to comply with these requirements and that coverage does not meet the specified requirements, CONTRACTOR agrees to amend, supplement or endorse the existing coverage to do so. The type(s) of insurance required is determined by the scope of the contract services.

Without in any way affecting the indemnity herein provided and in addition thereto, CONTRACTOR shall secure and maintain throughout the Agreement term the following types of insurance with limits as shown:

A Workers' Compensation/Employers Liability – A program of Workers' Compensation insurance or a state-approved, self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with one million dollar (\$1,000,000) limits covering all persons including volunteers providing services on behalf of CONTRACTOR and all risks to such persons under this Agreement.

If CONTRACTOR has no employees, it may certify or warrant to COUNTY that it does not currently have any employees or individuals who are defined as "employees" under the Labor

Code and the requirement for Workers' Compensation coverage will be waived by the County's Risk Program Administrator.

With respect to CONTRACTORS that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance.

B. Commercial/General Liability Insurance – CONTRACTOR shall carry General Liability Insurance covering all operations performed by or on behalf of CONTRACTOR providing coverage for bodily injury and property damage with a combined single limit of not less than one million dollars (\$1,000,000) per occurrence and a two million dollar (\$2,000,000) general aggregate limit.

C. Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired and non-owned automobiles or symbol 1 (any auto). The policy shall have a combined single limit of not less than one million dollars (\$1,000,000) for bodily injury and property damage, per occurrence.

If CONTRACTOR owns no autos, a non-owned auto endorsement to the General Liability policy described above is acceptable.