



# **HS GovTech**

## **Contract for HS Cloud Suite**

**Between:**

**"Customer"**

**Tia Branton, Director  
Tehama County Environmental Health/  
Code Enforcement  
633 Washington Street RM 36  
Red Bluff, Ca 96080  
530-527-8020  
Submitted**

**And**

**"HS GovTech"**

**HS GovTech USA**

**436 East 36th Street, Suite 55  
Charlotte, NC 28205  
[www.HSGovtech.com](http://www.HSGovtech.com)**

**Contact: Cameron Garrison, Executive Director of Growth and Operations  
Phone: 980-309-1749  
[Cameron@hscloudsuite.com](mailto:Cameron@hscloudsuite.com)**

## TABLE OF CONTENTS

1. Definitions	3
2. Scope of Services	4
3. Right to Use HSCloud Suite	4
4. Ownership of Software and Data	5
5. Obligations of Customer	6
6. Software System Upgrades and Changes	7
7. Intellectual Property	7
8. Term	7
9. Termination	8
10. Decommissioning	8
11. Confidentiality	9
12. Protected Health Information	10
13. Indemnification	11
14. Limitations of Liability	12
15. Notice	13
16. General	13
Appendix A – HSCloud Suite Functionality	16
Appendix A-1 Go Live Criteria	23
Appendix A-2 Included Support	24
Appendix A-3 - Service Level Agreement (SLA)	25
Appendix C - Contract Fees and Payment Schedule:	28
Appendix D - UAT	29
Appendix E - Change Order Form	31
Appendix F - Training	32

This **HS GOVTECH CONTRACT FOR HSCLOUD SUITE** (the “**Agreement**”) is made and entered into as of May 19, 2025 (the “**Effective Date**”) by and between HS GovTech and the Customer identified on the cover page to which this Agreement is attached. Each of Customer and HS GovTech shall be referred to herein individually as a “**Party**” and together as the “**Parties.**”

**WHEREAS**, HS GovTech is the provider of a web-based permit, financial, and inspection software application (as further defined herein, “**HSCloud Suite**”);

**WHEREAS**, Customer desires to purchase access to all or a portion of the functionality of HSCloud Suite for data management services, including performing inspections in the field using HSCloud Suite, in accordance with the terms and conditions set forth herein.

**NOW THEREFORE**, the Parties hereto, each in consideration of the mutual promises and obligations assumed herein by the other, agree as follows:

## 1. Definitions

- a) “**Confidential Information**” means any and all data or information in any form or medium (whether oral, written, electronic, or other) that the disclosing Party considers confidential or proprietary or that is otherwise not generally available to the public, or that, by its nature or the circumstances of its disclosure, the receiving Party should reasonably understand to be confidential or proprietary information of the disclosing Party, and includes, but is not limited to, business information, specifications, research, software, trade secrets, know-how, designs, drawings, data, computer programs, customer names and other technical, financial and business information concerning a Party, or any such information of clients or customers of a Party, which is disclosed by or on behalf of such Party to the other Party.
- b) “**Custom Configuration**” means alterations to the Standard Application, requested by Customer, to meet specific needs of Customer.
- c) “**Customer Data**” means all information, processes, documentation, and data provided or produced by Customer in connection with HSCloud Suite that is not Public Data.
- d) “**Decommissioning**” means the process of transitioning Customer away from using HSCloud Suite following termination or expiration of this Agreement, as more particularly set out in Section 9.
- e) “**HSCloud Suite**” means HS GovTech’s web-based application for permitting, inspections, complaints, and reporting and the associated mobile applications that interface with the web-based application, as more specifically described on Appendix A hereto.
- f) “**HSCloud Suite Services Agreement**” means a professional services agreement entered into by and between the Parties pursuant to which HS GovTech provides

Customer with implementation, training, consulting, and other professional services in connection with HSCloud Suite.

- g) **“HS GovTech Servers”** means servers operated and maintained by HS GovTech or co-located on which Customer Data and Public Data may be stored and accessible by Customer.
- h) **“MyHealthDepartment”** means the citizen portal that allows Customer to interact online with its constituents. This includes the ability to post inspections results online, as well as to apply for permits, renew permits, and pay invoices and fees due to Customer securely online.
- i) **“Public Data”** means any and all information entered into or stored in the cloud by Customer, or by HS GovTech on behalf of Customer, that is published and made available to the general public via MyHealthDepartment at the request of Customer, or which is otherwise subject to freedom of information disclosure under any law or regulation applicable to Customer.
- j) **“Service Add-Ons”** means features or functionality of HSCloud Suite that are part of the Standard Application but that must be purchased as additional features.
- k) **“SOW”** means a Statement of Work entered into by the Parties pursuant to an HSCloud Suite Services Agreement.
- l) **“Standard Application”** means application functionality for the HSCloud Suite that is available out-of-the box including the standard configurability options in the system.
- m) **“Super User”** means a Customer user that has been delegated – by Customer – authority to perform all administrative functions in HSCloud Suite, including but not limited to; adding Users and managing their permissions, the ability to manage documentation and interact with, and speak for Customer, with support, and to have access to the configuration and system editing tools of HSCloud Suite.
- n) **“UAT”** means user acceptance testing.
- o) **“User”** is defined as anyone who Customer authorizes to access HSCloud Suite on its behalf, whether or not employed by Customer.

## 2. Scope of Services

- a) HS GovTech will provide Customer with the features and functionality for HSCloud Suite as set out in Appendix A.
- b) HS GovTech will provide Customer with training, implementation, and other professional services relating to HSCloud Suite that are not specifically provided hereunder pursuant to an HSCloud Suite Services Agreement which shall set forth the terms and conditions that will apply to such services. In addition, if Customer desires that HS GovTech develops any Custom Configurations for Customer, such development services will be subject to the HSCloud Suite Services Agreement.

## 3. Right to Use HSCloud Suite

- a) Subject to the terms and conditions specified in this Agreement, HS GovTech grants Customer a limited, non-exclusive, non-sublicensable, revocable right during the



Term to use HSCloud Suite as specified in Appendix A, subject to Customer paying the Fee according to the terms set out in Appendix C. The foregoing rights specifically exclude any right of reproduction, sale, lease, sub-license or any other transfer or disposition of HSCloud Suite, or any portion thereof, by Customer; provided, that Customer's Users shall be entitled to access HSCloud Suite on Customer's behalf.

- b) The Fee is calculated based on the specifications set forth in Appendix A as of the Effective Date. Upon mutual agreement of the Parties with respect to the addition of any new modules, functionality, or expansion of use of HSCloud Suite by Customer following the Effective Date, Appendix A will be amended to reflect the changes, and Appendix C will be amended to reflect any adjustments to the Fee to reflect the changes.
- c) HS GovTech will provide sufficient software access rights and upgrades of the supporting software required for the number of Users and scope as defined in Appendix A, subject to Customer's payment of the associated Fee.
- d) Customer is responsible for and agrees to abide by all the provisions of this Agreement, and will ensure that all Customer personnel with access to HSCloud Suite comply with the terms of this Agreement.
- e) Customer acknowledges and agrees that its access to, and accordingly its use of, HSCloud Suite is at all times subject to the following limitations:
  - i. No Modification or Reverse Engineering—Customer will not directly or indirectly modify, or in any way alter (excluding configuration expressly permitted by the documentation) the whole or any part of HSCloud Suite, nor will Customer translate, decompile, disassemble, reconstruct, decrypt, or reverse engineer the whole or any part of HSCloud Suite.
  - ii. No Demonstration with Intent to Replicate—Customer shall not demonstrate HSCloud Suite to a competitor in whole or in part, or any other company or person with the intent to create a similar or like product.
  - iii. No Rental or Timeshare Use—Except as permitted herein, Customer will not directly or indirectly license, sublicense, sell, resell, transfer, assign, distribute, rent, lease, or otherwise commercially exploit HSCloud Suite in any way, nor will Customer use HSCloud Suite in a computer service business, service bureau, hosting or time-sharing arrangement.
  - iv. Unauthorized Equipment—Customer will only use HSCloud Suite on computing devices which are supported by HS GovTech and which meet the minimum system requirements specified by HS GovTech.
  - v. Proprietary Notices—Customer will not directly or indirectly remove any proprietary notices, labels or marks from HSCloud Suite or other materials, including those indicating any intellectual property rights of HS GovTech or any third party unless otherwise agreed between the Parties in writing.

## 4. Ownership of Software and Data

- a) HS GovTech warrants to Customer that HS GovTech has all necessary rights and licenses with respect to the HSCloud Suite as required for HS GovTech to provide HSCloud Suite to Customer in accordance with the terms set forth herein.
- b) All Customer Data and Public Data, whether entered into or stored in the system by Customer or by HS GovTech on behalf of Customer, is and will remain the sole property of Customer. Customer represents, warrants, and covenants that Customer owns or otherwise has and will have the necessary rights and consents in and relating to the Customer Data so that, as provided in accordance with this Agreement, the Customer Data does not and will not infringe, misappropriate, or otherwise violate any intellectual property rights, or any privacy or other rights of any third party or violate any applicable law.
- c) Customer hereby grants HS GovTech the irrevocable, royalty-free license during the Term of this Agreement to use, copy and otherwise exploit the Customer Data and the Public Data for the express purpose of exercising its rights and performing its obligations pursuant to this Agreement or the HSCloud Suite Services Agreement, including to extract, derive, compile, and publish the Public Data, and for any other purpose permitted hereunder or pursuant to the HSCloud Suite Services Agreement. Customer acknowledges that whether HSCloud Suite uses HS GovTech Servers or third-party servers, the supporting software will transmit data to HS GovTech Servers for the purpose of performing functions on the data required by this Agreement and to collect the Public Data.
- d) EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH HEREIN, HSCLOUD SUITE IS PROVIDED "AS IS" AND "AS AVAILABLE." HS GOVTECH SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. WITHOUT LIMITING THE FOREGOING, HS GOVTECH MAKES NO WARRANTY OF ANY KIND THAT HSCLOUD SUITE, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET CUSTOMER'S OR ANY USERS' OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM, OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE. ALL THIRD PARTY MATERIALS ARE PROVIDED "AS IS" AND ANY REPRESENTATION OR WARRANTY OF OR CONCERNING ANY THIRD PARTY MATERIALS IS STRICTLY BETWEEN CUSTOMER AND THE THIRD PARTY OWNER OR DISTRIBUTOR OF THE THIRD PARTY MATERIALS.

## 5. Obligations of Customer

Customer will designate staff members to provide the following functions under this Agreement:

- a) Customer Administrator: This individual is responsible for Administrator functions within the system, for Customer.
- b) Customer agrees to designate a replacement Administrator within thirty (30) days if the primary is unable to serve in that capacity or leaves Customer's organization.
- c) Customer will provide access to HS GovTech's online learning material for all Users using HSCloud Suite.
- d) If Customer supplies the computing devices to operate the supporting software, Customer is responsible, with support from HS GovTech, to install HSCloud Suite on Customer's computing devices. If HS GovTech supplies the necessary computing devices, HS GovTech will pre-install and configure the supporting software on such devices.
- e) Customer will pay the Fees set out in Appendix C on the terms and conditions provided therein.

## 6. Software System Upgrades and Changes

- a) The Fee includes all subsequent core system configurations and changes instituted by HS GovTech after deployment in conjunction with Customer's specific needs and requirements. It does not include any custom development, such as design changes to modules deployed for Customer that are outside the normal configuration options of HSCloud Suite. Phone number, office address, Customer logo changes, print forms (i.e., permits, inspections, etc.) are modifiable for no additional fee (if mandated by state or local ordinance changes). Changes that are discretion designed in nature, but not regulatory, are only covered once per year. Non regulatory changes greater than once per year, will be billed as a change fee. A year is defined by a rolling twelve-month basis.
- b) HS GovTech will use commercially reasonable efforts to minimize any changes to minimum system requirements for the HSCloud Suite resulting from system upgrades and changes.

## 7. Intellectual Property

- a) HSCloud Suite and all intellectual property and other rights therein will, at all times, remain the property of HS GovTech. Subject only to the use rights granted herein, nothing in this Agreement grants any right, title, or interest in or to (including any license under) any intellectual property rights in or relating to, HSCloud Suite, whether expressly, by implication, estoppel, or otherwise. All right, title, and interest in and to HSCloud Suite are and will remain with HS GovTech and its licensors.
- b) If Customer provides any input, feedback, suggestions, ideas or proposals regarding HSCloud Suite ("**Feedback**"), and such Feedback is not provided in connection with the development of a Custom Configuration or otherwise specifically on a confidential basis, Customer grants HS GovTech a non-exclusive, perpetual, and royalty-free license to use all such Feedback without restriction, provided, that such Feedback is given to HS GovTech on an "as is" basis and Customer does not provide any warranty regarding the Feedback.

## 8. Term

- a) The term of this Agreement will be five years from the Effective Date (the “**Initial Term**”).
- b) This Agreement will automatically renew under the same terms and conditions for consecutive one year periods (each, a “**Renewal Term**” and together with the Initial Term, the “**Term**”) at the expiration of the Initial Term and each subsequent Renewal Term unless:
  - i. Customer and HS GovTech enter into a new written agreement which replaces this Agreement, or;
  - ii. Customer or HS GovTech provides the other Party with written notice of termination of this Agreement at least sixty (60) days prior to the end of the Initial Term or the applicable Renewal Term, as the case may be.

## 9. Termination

- a) Should either Party materially breach any provision contained in this Agreement and not correct or substantially cure such breach within sixty (60) days after receipt of written notice by the other Party of such breach, then in addition to any other remedies set forth herein, or available in law or in equity, this Agreement may be terminated by the non-breaching Party. Notwithstanding the foregoing, with respect to Customer’s payment obligations hereunder, if Customer fails to make a payment within thirty (30) days of the applicable due date, such failure shall constitute a material breach, and Customer shall only have an additional thirty (30) days to cure such breach following notice from HS GovTech.
- b) In the event either Party ceases its business operations, makes a general assignment for the benefit of creditors, is adjudged bankrupt, or becomes insolvent, then the other Party may, at its sole discretion, terminate the Agreement upon thirty (30) days notice to the other Party and the provisions set out in Section 9 for Decommissioning will not apply.
- c) In addition, HS GovTech may, directly or indirectly, and by use of a disabling device or any other lawful means, suspend, terminate, or otherwise deny Customer’s, or any User’s, access to or use of all or any part of HSCloud Suite, without incurring any resulting obligation or liability, if: (i) HS GovTech receives a judicial or other governmental demand or order, subpoena, or law enforcement request that expressly or by reasonable implication requires Provider to do so; or (ii) HS GovTech believes, in its good faith discretion, that: (A) Customer or any User has failed to comply with any material term of this Agreement, or accessed or used HSCloud Suite beyond the scope of the rights granted or for a purpose not authorized under this Agreement or in any manner that does not comply with any instruction or requirement provided by HS GovTech; (B) Customer or any User is, has been, or is likely to be involved in any fraudulent, misleading, or unlawful activities relating to or in connection with HSCloud Suite; or (C) this Agreement expires or is terminated. This Section 8(c) does not limit any of HS GovTech’s other rights or remedies, whether at law, in equity, or under this Agreement.

## 10. Decommissioning

- a) Upon termination of this Agreement, or its expiration without replacement, (i) Customer will immediately cease using HSCloud Suite, and (ii) HS GovTech will transmit all Customer Data stored on HSCloud Suite to Customer and securely erase such Customer Data from HSCloud Suite within thirty (30) business days of the effective date of termination or expiration, as the case may be. Customer Data will be provided in a SQL backup file (.bak file), or comma delimited if requested by Customer. For Decommissioning to occur, all outstanding monies owed to HS GovTech by Customer must be paid in full at the time of Decommissioning. If Customer is in arrears at the time of termination or expiration of the Agreement, Customer will begin its thirty (30) day Decommission cycle upon full payment of all outstanding amounts owed to HS GovTech. HS GovTech will permanently delete all Customer Data after Decommissioning within ninety (90) days of the date of termination or expiration of this Agreement.

## 11. Confidentiality

- a) Each Party agrees to protect the Confidential Information of the other Party in the same manner that it protects the confidentiality of its own proprietary and confidential information of a like kind, but in no case less than reasonable care, and will not use the Confidential Information of the other Party, except in connection with the performance of its obligations under this Agreement or as permitted by this Agreement. The confidentiality provisions set forth in this Agreement will remain in full force and effect in perpetuity.
- b) Upon termination or expiration of this Agreement or upon the written instruction of the Party owning Confidential Information, the other Party will return or destroy the requesting Party's Confidential Information. For purposes of the foregoing, a Party will be deemed to have destroyed electronic Confidential Information when it executes an application - or operating system-level, commercially reasonable delete function on it, provided that thereafter it does not conduct or permit any recovery or restoration of the same.
- c) Each Party will be responsible to the other for any disclosure of Confidential Information that is not permitted by this Agreement to the extent caused by such Party and for any failure by such Party to comply with the terms hereof. Each Party will indemnify and hold harmless the other, from and against any and all claims arising out of any breach by it of this Section 11(c).
- d) The obligations of confidentiality set out in this Section 11 will not apply in respect of uses or disclosures of Confidential Information where:
  - i. The Party disclosing such Confidential Information consents in advance in writing,
  - ii. Disclosure is required to comply with any applicable law, judicial order or stock exchange rules, provided that the Party proposing to disclose the Confidential Information gives the other Party reasonable, sufficient notice as may be practicable in the circumstances to contest or protect the required disclosure, or

- iii. The Party proposing to use or disclose the Confidential Information can establish with documentary evidence that, other than as a result of a breach of this Agreement, The Confidential Information:
- A. is available in the public domain or is Public Data,
  - B. was disclosed to it by a third party without violating confidentiality obligations, or
  - C. was already known by it or was subsequently developed by it without any use of Confidential Information of the other Party.

## 12. Protected Health Information

- a) HS GovTech will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any electronic protected health information (PHI) included in the Customer Data in accordance with the NIST 800-53 Security Guide should Customer require that HS GovTech, subcontractor(s) or agent(s) create, receive, maintain, or transmit PHI data on behalf of Customer. PHI data shall be protected against unauthorized access, disclosure or modification, theft, or destruction.
- b) HS GovTech will use encryption that is in accordance with NIST Special Publication 800-111 Guide to Storage Encryption, including the use of standards-based encryption format using triple-DES (3DES), or the Advanced Encryption Standard (AES), or their successors.
- c) Backups of PHI will be encrypted in accordance with secure methods as listed in NIST Special Publication 800-111 Guide to Storage Encryption, including off-site storage in a physically secure location with secure access controls to authorized personnel. Backup schedules shall be maintained to ensure timely availability and integrity of data.
- d) HS GovTech will implement technical security measures including mechanisms to encrypt and decrypt electronic PHI “at rest” and “during transmission” over an electronic communications network, including the internet, consistent with NIST Special Publications 800-52, 800-77 and Guidelines as appropriate to comply with Federal Information Processing Standards in the protection of PHI.
- e) HS GovTech will perform an independent audit of its data centers at least annually at its expense and provide a redacted version of the audit report to Customer upon request. HS GovTech may remove its proprietary information from the redacted version. A Service Organization Control (SOC) 2 audit report or approved equivalent sets the minimum level of a third party audit.
- f) HS GovTech will provide reports or additional information upon request of Customer and access by Customer or designated staff to HS GovTech’s facilities and/or any location involved with providing services to Customer or involved with processing or storing Customer Data, and HS GovTech shall reasonably cooperate with Customer staff and audit requests submitted under this Section. Any Confidential Information of either Party accessed or disclosed during the course of the security audit shall be treated as set forth under this Agreement or applicable laws or regulations. Each Party shall bear its own expenses incurred in the course of conducting this security



audit. HS GovTech shall at its own expense promptly rectify any non-compliance identified by the security audit and provide proof to Customer thereof.

- g) HS GovTech will report any security incident to the appropriate Customer identified contact immediately. If HS GovTech has actual knowledge of a confirmed data breach that affects the security of any Customer Data that is subject to applicable data breach notification law, HS GovTech shall:
  - i. Promptly notify the appropriate Customer identified contact within 24 hours or sooner, unless a shorter time is required by applicable law,
  - ii. Take commercially reasonable measures to report perceived security incidents to address the data breach in a timely manner,
  - iii. Cooperate with Customer as reasonably requested by Customer to investigate and resolve the data breach,
  - iv. Promptly implement necessary remedial measures, if necessary, and
- h) Document responsive actions taken related to the data breach, including any post-incident review of events and actions taken to make changes in business practices in providing the services, if necessary.
- i) Access to Customer Data will be restricted to authorized personnel. Security measures will be enforced to ensure the integrity, security and availability of the system and data resources. HS GovTech will be subject to HIPAA/HITECH Breach Notification requirements of unsecured Protected Health Information. All HS GovTech personnel assigned to this task order will be subject to appropriate security clearances granted in accordance with their assigned duties and responsibilities. All HS GovTech personnel will be informed of their security responsibilities and be subject to security monitoring and audits to ensure compliance to security clearances.
- j) HS GovTech will deliver to Customer its annual SOC2 Type 2 audit within thirty (30) days of request, if formally requested.

## 13. Indemnification

- a) HS GovTech shall defend, indemnify and hold harmless Customer and its officers, directors, employees, agents, successors, and assigns from and against any and all liabilities, claims or demands arising out of any third party claim that HS Cloud Suite infringes or misappropriates such third party's United States patents, copyrights, or trade secrets. The foregoing obligation does not apply to the extent the alleged infringement arises from (i) third party materials or Customer Data, (ii) access to or use of HS Cloud Suite by Customer in combination with any hardware, system, software, network, or other materials or service not specified by HS GovTech for use with HS Cloud Suite, (iii) Customer's failure to comply with its obligations pursuant to Section 4(d), or (iv) any acts or omissions of Customer or its personnel. Customer will immediately provide notice to HS GovTech in the event of any such claim, and HS GovTech will have the right to defend and settle any such claims.
- b) Customer shall defend, indemnify and hold harmless HS GovTech and its officers, directors, employees, agents, successors, and assigns from and against any and all

liabilities, claims or demands arising out of any third party claim based on Customer Data, including any processing of Customer Data in accordance with this Agreement, and any other materials or information (including any documents, data, specifications, software, content, or technology) provided by or on behalf of Customer or any User, including HS GovTech's compliance with any specifications or directions provided by or on behalf of Customer or any User to the extent prepared without any contribution by HS GovTech.

- c) Each Party shall promptly notify the other Party in writing of any claim for which such Party believes it is entitled to be indemnified pursuant to Section 13(a) or Section 13(b), as the case may be. The Party seeking indemnification (the "**Indemnatee**") shall cooperate with the other Party (the "**Indemnitor**") at the Indemnitor's sole cost and expense. The Indemnitor shall promptly assume control of the defense at the Indemnitor's sole cost and expense. The Indemnatee may participate in and observe the proceedings at its own cost and expense with counsel of its own choosing. The Indemnitor shall not settle any claim without the Indemnatee's prior written consent, which shall not be unreasonably withheld or delayed. If the Indemnitor fails or refuses to assume control of the defense of such claim, the Indemnatee shall have the right, but no obligation, to defend against such claim, including settling such claim after giving notice to the Indemnitor, in each case in such manner and on such terms as the Indemnatee may deem appropriate. The Indemnatee's failure to perform any obligations under this Section 13(c) will not relieve the Indemnitor of its obligations under this Section 13, except to the extent that the Indemnitor can demonstrate that it has been materially prejudiced as a result of such failure.
- d) Customer acknowledges that HS Cloud Suite provided by HS GovTech constitutes part of an information system to be used by Customer, its staff, employees, and authorized agents in the performance of their professional responsibilities and is in no way intended to replace their professional skill and judgment.
- e) THIS SECTION 13 SETS FORTH CUSTOMER'S SOLE REMEDIES AND HS GOVTECH'S SOLE LIABILITY AND OBLIGATION FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT HSCLOUD SUITE OR ANY SUBJECT MATTER OF THIS AGREEMENT INFRINGES, MISAPPROPRIATES, OR OTHERWISE VIOLATES ANY INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY.

## 14. Limitations of Liability

- a) IN NO EVENT WILL HS GOVTECH OR ANY OF ITS LICENSORS, SERVICE PROVIDERS, OR SUPPLIERS BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ITS SUBJECT MATTER UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY: (I) LOSS OF PRODUCTION, USE, BUSINESS, REVENUE, OR PROFIT OR DIMINUTION IN VALUE; (II) IMPAIRMENT, INABILITY TO USE OR LOSS, INTERRUPTION, OR DELAY OF THE SERVICES, OTHER THAN FOR THE ISSUANCE OF ANY APPLICABLE SERVICE CREDITS PURSUANT TO THE SERVICE LEVEL



AGREEMENT; (III) LOSS, DAMAGE, CORRUPTION, OR RECOVERY OF DATA, OR BREACH OF DATA OR SYSTEM SECURITY; (IV) COST OF REPLACEMENT GOODS OR SERVICES; (V) LOSS OF GOODWILL OR REPUTATION; OR (VI) CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES, REGARDLESS OF WHETHER SUCH PERSONS WERE ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

- b) IN NO EVENT WILL THE AGGREGATE LIABILITY OF HS GOVTECH ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING UNDER OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EXCEED THE TOTAL AMOUNTS PAID TO HS GOVTECH BY CUSTOMER UNDER THIS AGREEMENT IN THE ONE YEAR PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THE FOREGOING LIMITATIONS APPLY EVEN IF ANY REMEDY FAILS OF ITS ESSENTIAL PURPOSE.

## 15. Notice

- a) All notices provided under this Agreement will be in writing and will be sent by certified mail, return receipt requested, or by email to the people and addresses set out below, or to such other addresses as either Party may specify by notice to the other Party. All notices sent by certified mail will be effective upon the date of receipt. Notices sent by email will be immediately effective on the date of transmission if sent during regular business hours, or on the next business day if sent outside of regular business hours.

### To HS GovTech:

HS GovTech Solutions Inc.  
436 East 36th Street, Suite 55, Charlotte, NC 28205  
Telephone: 866-860-4224 ext 1004  
Website: [www.hsgovtech.com](http://www.hsgovtech.com)  
Contact: Cameron Garrison, Executive Director of Growth & Operations  
[Cameron@hscloudsuite.com](mailto:Cameron@hscloudsuite.com)

### To Customer:

CONTRACT CONTACT	
Name	Tia Branton, Direcot
Address	633 Washington St RM36, Red Bluff, CA 96080
Phone	530-527-8020
Email	tbranton@tehama.gov

ACCOUNTS RECEIVABLE CONTACT	
Name	Lori S Mueller
Address	633 Washington St. RM36 Red Bluff 96080
Phone	530-527-8020
Email	lmueller@tehama.gov

- b) If normal mail service or email are interrupted by a Force Majeure (as defined below) or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until received, and the Party sending the notice will use any other such services which have not been so interrupted or will deliver such notice in order to ensure prompt receipt thereof.

## 16. General

- a) Neither Party is liable for any delay, interruption, or failure in the performance of its obligations hereunder if caused by acts of God, war, declared or undeclared, fire, flood, storm, landslide, earthquake, such Party's failure or inability to obtain equipment, supplies or other facilities not caused by a failure to pay, labor disputes, or other similar events beyond the reasonable control of the Party affected (each, a "**Force Majeure**") that may prevent or delay such performance. If any such act or event occurs or is likely to occur, the Party affected will promptly notify the other Party, giving reasonable particulars of the event. The Party so affected will use reasonable efforts to eliminate or remedy the event.
- b) This Agreement and the schedules and all attachments attached hereto and referenced herein will constitute the entire Agreement of the Parties and will supersede all prior negotiations, proposals, and representations, whether written or oral with respect to the subject matter hereof.
- c) This Agreement may not be modified except by subsequent agreement in writing executed by authorized representatives of both Customer and HS GovTech.
- d) It is mutually agreed by and between the Parties that the relationship between Customer and HS GovTech will be that of independent contractors and no principal-agent or employer-employee relationship is created by this Agreement.
- e) It is mutually agreed by and between the Parties that if any section, subsection, sentence, clause, phrase, or portion of this Agreement will be for any reason held invalid, unenforceable, or unconstitutional by a court of competent jurisdiction, such portion will be deemed a separate, distinct and independent provision and such holding will not affect the validity of the remaining portions thereof.
- f) It is mutually agreed and acknowledged by and between the Parties that any breach by it of this Agreement with respect to the intellectual property rights or Confidential Information of the other Party may cause the other Party immediate and irreparable harm for which monetary damages would not be adequate to compensate such other Party, and so upon such a breach the other Party may seek injunctive or other equitable relief against the breaching Party from any court of competent jurisdiction without establishing the inadequacy of monetary damages, proof of actual harm or posting any bond or security.
- g) This Agreement will be governed by and construed in accordance with the laws enforced from time to time in the State of California and the federal laws of the United States applicable therein, without reference to their conflicts of laws principles.



- h) The captions and headings appearing in this Agreement are inserted for convenience only and do not form a part of this Agreement and are not intended to interpret, define, or limit the scope, extent or intent of this Agreement or any provision hereof.
- i) This Agreement will ensure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, personal representatives, successors, and assigns. Customer may not assign or transfer any interest in this Agreement without the prior written consent of HS GovTech.
- j) Whenever the singular or masculine is used herein, the same will be deemed to include the plural or the feminine of the body politic or corporate where the context of the party so requires.
- k) This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement.

**IN WITNESS WHEREOF**, the Parties hereto have entered into this Agreement as of the Effective Date.

**For HS GOVTECH SOLUTIONS INC.:**

**For CUSTOMER:**

6/16/2025 Eric Thomas  
Date Eric Thomas, CEO

6/16/2025 Tia Branton  
Date Tia Branton, Director

05/20/25 Ashley Franco  
Date Ashley Franco, VP of Professional Services

## Appendix A – HS Cloud Suite Functionality

### Enablement Project Services

#### Scope of Services

This section describes the scope of the Project that the Customer and HS GovTech agree is needed to meet the Project objectives. The scope of this Project is based upon information gathered by HS GovTech, as well as information provided by the Customer during demonstrations. Listed below is the scope of work that will be performed and is predicated on the assumptions listed in Section **Operating Assumptions** of this SOW.

Should the Project scope be required to change at any time during this Project's lifecycle, those changes will be managed as described in section **Change Order Process** of this SOW.

#### In Scope

##### Program Areas to include EH/CUPA

- Food (Retail, Cottage, Mobile, Temp)
- CUPA (UST/AST Program, Hazardous Waste Program, CALARP program)
- HazMat
- Solid Waste and Liquid Waste Vehicles
- Wells
- Waste Tire
- Water
- Pools
- Solid and Medical Waste
- Body Art
- Childhood Lead

**Program Defined as** - A standard Program with no customizations in the HS GovTech system, includes the following utilities, workflow and features.

#### Standard Workflow Utilities

Address Manager	Establishment Manager	Permit Manager
Contact Manager	Invoice and Fee Manager	Inspection Manager
Plan Review Manager	Temporary Event and Temporary	Event Vendor Managers
Complaint Manager		

#### Features within the Standardized Workflow

- Bulk Invoicing for Annual Permit Renewals/Fees
- Unique Fee Schedule Management
- Ability to Bulk Import Check Payment Data
- HSMobile Inspection App
- Inspection Scheduler for Routine and Follow-up Inspections
- Violation Library Data Management Tool
- Public Facing Citizen Portal Inspection Results Posting Page (standard format)
- Standard Time Log Time ~~Tracking~~ Utility *Tracking*
- Standard Attachments Utility on all Utilities
- Standard "Record Summary" print friendly view for all utilities/records

- Conversation Manager Interactive Emails Feature
- Ability to Mass Email System Contacts through Primary Workflows
- Standard Print Engine and Expected Configurable Forms\*
- Standard HS Analytics Platform with Standard Reports\*\*
- Financial, and receipting module, for all programs included in system
  - HS PayCORE (third party vendor would be additional fee) - Ability to use system for credit, debit, and ACH payments - including online by operators.

### Standard Print Engine

- Ability to Print the following HSGovTech Generic forms or an Agency Provided Official Form:

Form Name	QTY
Permit Form	1
Inspection Form	1
HS GovTech Standard Complaint Form	1
HS GovTech Standard Invoice Form	1
HS GovTech Standard Receipt Form	1

- Ability to Bulk Print Invoices via the Bulk Invoicing Standard Utility
- Ability to Bulk Print Forms via the standard List View for Permits, Inspections, Complaints, and Invoices

### HS Analytics Standard Reports

Accounting Report	Deposit Report	Inspection Dashboard
Inspection Overview Report	Inspection Violation Report	Invoices Account Report
Permissions Report	Permit Info Report	Productivity Report
Time Tracking Report	Record History Report	Completed & Average Report
Directors Report		

### Data Conversion Services

Data Conversion is the process of receiving data from another source, and processing it and importing it into the HS Govtech Software.

**Data Conversion requested from existing database into HSGT data conversion structure spreadsheet done by agency. \*(If agency decides to have data conversion done by HSGT, would be an additional \$13,800)**

### Included with Standard Data Import Process:

- File Types: \*.bak, \*.mdf, \*.txt, \*.csv \*.xls(x)
- Initial Data Review, Cross Walk, Processing and Import
- 2 Rounds of Remediation on the Initial Import Process

- Final Go Live Data Processing and Import
- Historical Violation Libraries for all inspection data not generated from HS Cloud
- Financial Data includes only open invoices (IE containing a balance)
  - All other Historic Data will be imported into historical utility

**NOTE** - Files provided in Excel need to meet certain criteria for acceptance:

- Each column must have a unique column name
- There must be only one header row
- All data should be in a single tab within the spreadsheet
- No cells may be merged
- No images may be present

**Not Included with Data Import Process**

- File Types: \*.dbf, \*.log, images, pdfs, \*.dat
- Data De-Duplication and Sanitizing
- Additional Remediation Rounds
- Data Sets Submitted not listed in this appendix
- Attachments

**Out-of-Scope**

The In Scope section above describes the Services that HS GovTech will perform. Other services are not included. The process described in section **Change Order Process** can be used to add items to the scope.

**Specialized Customization Requiring Development Resources (Non-Standard):**

- There is no data conversion from existing databases to HS Cloud Suite for the program areas listed above in this agreement.
- No complex Mathematical Calculations on Fields
- No complex logic for changing values of fields, based on the value of another field, or filtering drop down values
- No specialized logic for triggering the creation of invoices/fees
- No specialized logic for the triggering of record creation or the automation of steps within a workflow process

**Project Enablement Approach**

The approach described in this section reflects a combination of HS GovTech's best practices and experiences in providing enablement services to other HS GovTech's customers. HS GovTech's enablement methodology provides a simple and efficient, proven approach, . Unless otherwise agreed, the Project will use this approach.

## **Enablement Methodology**

Project methodology is carried out in the simplified phases defined below:

- Engage
- Enable
- Ensure
- Execute
- Exceed

HS GovTech's Enablement Methodology, in conjunction with the assumptions stated in Section **Operating Assumptions**, has been used to estimate all activities in this SOW.

## **Project Enablement Team**

This section defines the organizational structure that could be utilized on this engagement.

## **HS GovTech's Management**

HS GovTech will assign the following levels of management to support the professional services associated with this SOW / contract's referenced in section implementation phased activities:

**HS GovTech's Project Enablement Manager** – is responsible for the successful management and completion of the Project scope (Activities, Tasks, and Deliverables) in this SOW and for monitoring the HS GovTech team assigned to the effort to assure their performance is in accordance with this SOW and the Project Schedule. In addition, the HS GovTech's Project Enablement Manager will manage the "Change Order Process" defined in Section **Change Order Process**.

**HS GovTech's Executive** – is responsible for any matters brought for escalation and participates in the Project Steering Committee when HS GovTech's Program Manager or Customers' Project Manager requests such presence.

## **Project Phases**

This section describes the activities and the tasks to be performed, the responsibilities of each organization while performing the activities, the deliverables to be produced, the project enablement burndown of hours, and the project charges.

## **Operating Assumptions**

- The HS GovTech's Project Enablement Manager will control all changes to this SOW via the initiation of the Project Change Order Process described in section Change Order Process of this SOW. All mutually agreed-upon changes will become part of this SOW.

- The HS GovTech Project Enablement Manager will be responsible for coordinating as set forth in Section Enablement Phase with customer's decision point of contact.
- Any activities, tasks, or Deliverables not specifically stated in this SOW are, by default, excluded from the work to be performed by HS GovTech, unless included by mutual agreement via the Change Order Process.
- All hours and days are business hours and days.
- Working hours are local to the office each resource is working.
- HS GovTech services will be performed at HS GovTech site(s)
- HS GovTech will be hosting (1) HS Cloudsuite Environment. Any additional required environment(s) will have cost implications.
- Any third-party products not outlined in this SOW will be subject to the Change Order Process.
- A request for a revised schedule (Exceeding number of hours) must be reviewed and approved within three (3) days of presentation by the Customer's leadership in writing and will be subject to additional fees and costs incurred.
- The Project commences with an overview of the Standard HS Cloudsuite Platform to allow the Customer stakeholders to be exposed to the most current release of HS Cloudsuite.
- Customer will be responsible for executing the user acceptance plan. HS GovTech may provide limited support and guidance during this phase of the enablement project and will be subject to the Change Order Process.
- Customer will be responsible for assigning testing resources according to the mutually agreed upon plan and in accordance with the mutually agreed upon allotted timelines.

## **Phase Activities**

### ***Engagement Phase***

Tasks Associated with this Activity:

- Initial Demonstration with Sales Team
- Confirm the standard enablement project requirements with Enablement Team
- Final Demonstration
- Contracting Process

### ***Deliverables:***

- Signed Contract

### ***Enablement Phase***

Tasks Associated with this activity:

- Sales handoff to Professional Services



- Enablement PM Kickoff
  - Cadence with customer established
  - Confirmation of requirements for programs selected
- Enablement
  - Check-ins with customer per cadence
  - Timeline Burndown Review
  - Documentation creation for UAT(testing)

Deliverables:

- Project Status Updates
- Testing Documentation

***Ensure Phase Activities***

Tasks Associated with this activity:

- HSGT testing on all programs end to end
- Tweak or fix any internal issues found
- PM - Ensure phase check in with customer
  - Turn over all documentation
  - Walk through use cases
- Customer UAT (1-2 weeks)
  - PM Triage any critical issues
  - Remediate or Reject
  - PM - Change orders created for new functionality
- Close out Ensure Phase
  - PM - Alert client of movement to execute phase
- Customer Enablement train the trainer
  - Prepare customer train-the-trainer materials if needed

Customer Responsibility:

- Execute UAT within the designated timeframe
- Prepare end user training curriculum
- Prepare go-live transition guides for customer's end user staff

Deliverables:

- Review Customer UAT summary report
- Customer training curriculum, transition guides, training materials, as appropriate
- For details on UAT, please refer to **Appendix D: User Acceptance Test**

***Execute Phase Activities***

Tasks Associated with this activity:

- PM sets date immediately following UAT
- Confirm environment ready for go live execution

- PM to allocate resources needed to execute go-live
- PM to Introduce support staff and process according to SOW

**HS GovTech Responsibility:**

- Obtain Sign-Off on all Named Project Deliverables
- Conduct a Lessons Learned session and distribute documented results to participants
- Conduct End Meeting to review, discuss and finalize all the above

**Customer Responsibility:**

- Participate in the Definition, Development, and Review of Deliverables
- Participate in the Lessons Learned session
- Participate in End Review meeting

**Deliverables:**

- Standard Platform Components Defined in the SOW

***Exceed Phase Activities***

- Enablement PM to Support Services handoff
- Enablement PM to set post enablement audit with customer (lessons learned)
- Support to establish cadence with customer (monthly check-ins)
- Support to suggest any additional billable training if needed
- Account manager introduction for first QBR

**Schedule**

HS GovTech' estimated Project schedule to perform the tasks outlined in this SOW is approximately **16** weeks from project kickoff. A project phase timeline will be developed according to the project's **Project Engagement Phase**.

**Set Up Fee Estimate**

HS GovTech's estimated total charges to perform its HS Coudsuite responsibilities as described in this document on a time and materials basis is \$42,000.00 less 15% mass California adoption discount equaling \$35,700.00 This estimate includes 275 hours in project enablement services. This estimate provides the Customer with a high-level estimation based on the information provided at the time this SOW was prepared.

**Estimated Timeline: 4 months**

## Appendix A-1 Go Live Criteria

Go-live is determined as the milestone where Customer provides HS GovTech formal approval that the HSCloud Suite implementation has reached the point where the programs listed in **“Appendix A - HSCloud Suite Functionality”** have met the In Scope criteria approved during the engagement phase.

The following Go Live Criteria checklist represents at a high level the criteria HS GovTech will measure to ensure that the project has reached the Go Live Milestone.

- **Configuration**
  - The configurations, including print forms, have been completed for programs listed in “Appendix A - HSCloud Suite Functionality”
  - Standard Reports have been deployed for HS Analytic
- **User Acceptance Testing (UAT)**
  - Approved customer UAT closure based on the HSGT provided testing plans.
  - Issues identified during UAT have been identified and resolved.
- **Training**
  - Train the trainer has been completed for customer identified staff in accordance with the terms of the HSCloud Suite Services Agreement.

## **Appendix A-2 Included Support**

### **Hosting:**

- a) Service includes web hosting, data storage, data backup and publishing public data, which includes inspection information configured to meet the requirements of Customer.
- b) HS GovTech will make reasonable efforts to ensure that the system servers are available at 99.99% availability per calendar month on all its services subject to any Force Majeure. HS GovTech provides a Service Level Agreement (SLA) for its clients. Please see the SLA attached as Appendix B.
- c) HS GovTech will allow access, via the internet, to the system servers.

### **Support and Maintenance:**

Any issue or needs with ongoing use of the system can be handled by using the HSCloud Support feature. Full instructions on usage will be provided by product support staff. During usage, any bugs encountered will be fixed within three (3) business days. Any change or additional functionality requests - outside the scope of this Agreement - will be reviewed and assessed, and if approved, a quote for the work will be provided.

## Appendix A3 - Platform Service Level Agreement (SLA)

### Bug Remediation & Response Service Level Agreement (SLA)

#### 1. Overview

This Service Level Agreement ("SLA") outlines the response and resolution times for verified software defects ("bugs") reported by customers of [Company Name]'s SaaS platform. The objective is to ensure timely and effective resolution of issues impacting system functionality and user experience in production.

#### 2. Severity Classification & Remediation

Verified bugs reported by customers will be classified into four severity levels based on impact and urgency. The following table defines these levels along with their respective response and resolution targets:

##### Severity 1 - Critical (Blocker)

- **Definition:** A complete system outage, data corruption, or any issue that prevents all users from accessing the platform with no available workaround.
- **Response Time:** Within 1 hour (24/7 support) or within 4 business hours .
- **Resolution Target:** Best effort to resolve within 24 hours of verification or emergency hotfix deployment as soon as possible.

##### Severity 2 - High (Major Issue)

- **Definition:** Major functionality is impaired, significantly affecting business operations. A workaround may exist but is not ideal.
- **Response Time:** Within 4 business hours of verification.
- **Resolution Target:** Fix provided within 2–5 business days of verification potentially in a scheduled patch release.

##### Severity 3 - Medium (Moderate Issue)

- **Definition:** A non-critical function is impaired, but core business operations can continue. Workarounds are typically available.
- **Response Time:** Within 1 business day of verification
- **Resolution Target:** Fix included in the next planned release (typically within 2–4 weeks of verification).

##### Severity 4 - Low (Minor Issue / Enhancement Request)

- **Definition:** Cosmetic issues, minor usability concerns, or feature requests that do not impact business functionality.
- **Response Time:** Within 2 business days of verification.
- **Resolution Target:** Considered for a future release, with no committed timeline.

### 3. Customer Responsibilities

To ensure timely bug resolution, customers must provide:

- A clear description of the issue, including screenshots or error messages.
- Steps to reproduce the bug.
- Impact assessment (e.g., number of users affected, business impact).

### 4. Exclusions

This SLA does not apply to:

- Issues caused by customer-side misconfiguration or third-party integrations.
- Scheduled maintenance and planned downtime.
- Force majeure events beyond [Company Name]'s control (e.g., natural disasters, internet service disruptions).

### 5. Contact & Support Hours

- **Standard Support Hours:** [Insert support availability, e.g., 9 AM – 6 PM, Monday to Friday]
- **Emergency Support:** Available 24/7 for Severity 1 issues via [support email/phone].

### 6. Review & Updates

This SLA is subject to periodic review and updates to align with business needs and customer feedback.

#### Network Availability

Network uptime occurs when the functionality of all HS GovTech network infrastructure including cabling, switches, and routers, is operating as designed. Network downtime occurs if the HS GovTech Servers are unable to transmit and/or receive data, and if Customer opens a service ticket for the incident in the Customer system ticket tracking module. The HS GovTech network will be available 99.99% of the time, excluding scheduled maintenance or upgrades approved by both Customer and HS GovTech. Should a network outage occur that results in Customer system unavailability, HS GovTech will credit Customer 5% of the [Annual] Fee for every additional one (1) hour of downtime, up to but not exceeding 100% of one [monthly payment]. These credits will be applied toward future Fee payments.

#### Infrastructure Guarantee

Critical systems include all power and HVAC infrastructure, UPS equipment, and cabling. Power supplies of individual servers are not included (see below for Hardware Guarantee). Critical systems downtime occurs when a HS GovTech server assigned to a Customer system is shut down because of power or heat problems, and if Customer opens a service ticket for the incident in the Customer system ticket-tracking module. Critical system downtime is measured from the time the Customer ticket is opened to the time the issue is resolved and the HS GovTech server comes back online. HS GovTech critical systems, including power and HVAC, are available 100% of the time, excluding scheduled maintenance periods. Should an outage

due to critical system failure occur, HS GovTech will credit Customer 5% of the [annual] Fee for every additional one (1) hour of downtime, up to but not exceeding 100% of one [annual] payment. These will be applied toward future Fee payments.

**Hardware Guarantee**

Hardware is defined as the processor(s), RAM, hard disk(s), motherboard, NIC card, and other related components included in the HS GovTech server assigned to the Customer system. All hardware components directly relating to the Customer system will function properly and any failed component will be replaced immediately at no additional Customer cost. The replacement process will begin when the cause of the problem has been determined. Hardware replacement is guaranteed to take no more than two (2) hours. In the event that the replacement takes more than two (2) hours, HS GovTech will credit Customer 5% of the [annual] Fee for every additional one (1) hour of downtime, up to but not exceeding 100% of one [annual] payment. These credits will be applied toward future Fee payments.

**Maintenance and Escalation (scheduled and unscheduled)**

HS GovTech will notify Customer at least forty-eight (48) hours in advance of any scheduled network downtime for maintenance and service. In the event of an unscheduled outage, HS GovTech will immediately notify the Customer System Administrator of the outage and its estimated length.

For outages lasting one (1) hour or longer the HS GovTech Operations Manager and Director of Programming and Development will treat the outage as top priority for immediate resolution. If the outage lasts more than two (2) hours the issue is assigned to the Chief Technology Officer. Any outage lasting four (4) or more hours is escalated to the HS GovTech Chief Executive Officer.

Should the outage last more than four (4) hours HS GovTech will provide updates to the Customer System Administrator every four (4) hours on the system status. All updates and notifications will be sent via email to the Client System Administrator.

**Customer Support and Warranty**

Customer Support is available Monday through Friday during the hours of 8:00 AM – 6:00 PM EST except for federal holidays. An after-hours emergency support number is made available for Client division director level personnel.

Critical errors or bugs in system code identified as a base platform issue will be addressed and repaired immediately for the Term of the Agreement. System change requests from Customer will be evaluated on a case-by-case basis and scheduled for completion based on billable Change Order.

**Exceptions**

Customers with delinquent accounts may not take advantage of the uptime guarantee set forth in this Appendix B. Customer must request all credits within three (3) days of the reported downtime, and the downtime must be from a single occurrence.

## Appendix C - Contract Fees and Payment Schedule:

### 1. Fees

a) The fees payable under this Agreement are as follows:

Set-up: Configuration, data conversion, and implementation to HSCloud Suite for the programs listed in the SOW	<b>\$ 35,700.00</b>
License Fee: Annual cost for warranty, hosting, maintenance, and technical support	<b>\$ 20,400.00</b>

b) Payment schedule and terms:

100% of set-up fee, and of first-year license, warranty, hosting, maintenance, and technical support is due upon execution of contract.
Fees for second-year licensing, hosting, maintenance, and technical support are due on the one-year anniversary of the contract's execution. These services will continue annually for the duration of the contract term, with a 6% annual escalation applied beginning in the third year
<b>Payments:</b> Payment 1 - \$56,100.00 Payment 2 - \$20,400.00 Payment 3 - \$21,624.00 Payment 4 - \$22,921.44 Payment 5 - \$24,926.73

### 2. Term:

This Agreement begins on the date it is executed and continues for a period of five (5) years as outlined in Section 8 titled "Term".
Renewal: 90 -120 days prior to the end of contract term, the agency must renew annual contract to continue service, or provide a written notice for contract termination.
If a deliverable has been completed and properly noticed to the agency, and should agency withhold approval for no disclosed technical defect, after 30 days the deliverable will be deemed accepted for payment purposes.



#### **Appendix D: User Acceptance Test (UAT)**

1. A **2 week** timeframe is set aside for UAT support by HS GovTech and has been recommended as the maximum time required for Customer to test the HS GovTech-produced components. Customer understands that this timeframe includes:
    - a. Customer's components to be tested in the UAT environment.
    - b. All Customer UAT testing, regardless of the number of Customer organizations involved in the testing.
    - c. HS GovTech's remedy to any verified Severity Level 1 issues (see severity definitions table below) found while executing the User Acceptance Test Plan.
    - d. HS GovTech's remedy to any verified Severity Level 1 configuration related problems (see severity definitions table below), issues, and Customer's re-testing of HS GovTech' corrections.
  2. UAT will be conducted by Customer in accordance with the HSGT User Acceptance Test Plan.
  3. If a verified issue arises during the UAT period that prevents the continuation of UAT and no reasonable work-around exists, then UAT will be "suspended" until a fix is provided by HS GovTech to which then UAT will restart.
  4. The UAT period shall commence immediately upon the completion of standard system configuration and testing of components by HS GovTech to Customer as outlined in the HS GovTech Enablement Project Plan. If Customer is not able to begin UAT in accordance with the HS GovTech Enablement Project Plan, Customer has the following options:
    - a. Shorten the UAT period, so as not to delay its scheduled Go-Live Date
    - b. Delay the start of UAT, which may extend the originally scheduled end Go-Live Date for UAT and customer will incur additional expenses to be billed as time and materials
    - c. Any combination of the above alternatives
- Any such changes to the Enablement Project Plan involved with UAT will be managed under HS GovTech's Change Order Process as defined in Section **Change Order Process** of this SOW.

### ***Problem Reporting Process***

1. All problems reported by Customer must be specifically documented and provided to HS GovTech at the time of problem reporting. Documentation includes, but is not limited to, screen shots, context in which the error happened (steps taken prior to encountering the error) and any other information such as an error code or message. Documentation will vary based on the type of error encountered.
2. The severities assigned by Customer will be reviewed and agreed upon by HS GovTech and Customer prior to the issue being entered into the issue reporting log maintained by HS GovTech.
3. Adjudication of issue severities, i.e., the delineation between technical component code issues, Design or Test Specification issues is the responsibility of HS GovTech.
4. If HS GovTech is unable to reproduce a Customer-reported issue, then the issue will be closed, unless the time to resolve the issue is extended by Customer via the Change Order Process defined in Section **Change Order Process** of this SOW.

### Severity Definitions Table

Priority Level	Severity Level 1 - High	Severity Level 2 – Medium	Severity Level 3 - Low
<b>Definition</b>	An issue that prevents operation of the entire System or operationally critical System processes, or which destroys important non-recoverable data with no available workaround.	An issue that has more than a cosmetic or insignificant effect on the continued use of the System, but which does not meet the criteria for a High level issue. An issue that prevents use of part of the System. A workaround may or may not be available.	An issue that has only cosmetic or other insignificant effects on the continued use of the System, such as formatting or spelling error.
<b>Impact</b>	A majority of Permitted Users are unable to process transactions or access data critical for conducting daily business.	Multiple Permitted Users are affected. Prolonged outage may affect ability to complete business functions critical to Customer.	Permitted User impacted but business not stopped. A workaround or alternate capability exists. Business can continue with minor capability impact.

### **Appendix E: Change Order Form (COF)**

<b>Created By:</b>	<b>Change Order Number: To Statement of Work:</b>
--------------------	-------------------------------------------------------

This Change Order <Change Order Description and Numbering Information> to SOW between HS GovTech and <Insert Customer Name Here ("Customer") is effective on <MM/DD/YYYY> ("Effective Date"). This Change Request describes the changes to the Services for SOW <#> to the Professional Services Agreement entered into as of <MM/DD/YYYY>, as amended, by and between HS GovTech and Customer (the "Agreement").

#### **1. Project Summary**

<b>Project Name:</b>
<b>Expected Start Date for the change:</b>
<b>Fee Structure for the change:</b>
<b>Estimated Duration of the change:</b>
<b>Estimated Total Hours for the change:</b>
<b>Estimated Total Charges for the change:</b>
<b>Estimated Expenses of the change:</b>

#### **2. Description of Change:**

#### **3. Impact of Change:**

#### **4. Cost of Change:**

Description	Quantity	Unit of Measure	Price (per Unit) \$	Estimated Total \$

## **Appendix F: TRAINING SERVICES**

Training for Customer users for go-live included in this Agreement:

Customer will be offered (5) amount of virtual hours for the following users:

Administrator (EH Management) Field Inspector Staff and Business Support / Front Office Staff

Training will consist of:

- Login procedures:
  - Basic navigation of the HS Cloud System
  - Data Structure overview for all users
- General System Usage:
  - Address Manager
  - Establishment Manager
  - Permit Manager
  - Contact Manager
  - OWTS Program Process Flow
  - List Screen features and setup
  - Time Tracking (If implemented)
  - Inspection Manager (All staff knowledge)
  - Complaint Submission
  - Additional added utilities (Will be based on finalized program list)
- Inspection Staff Training
  - Conducting Inspections for all purchased programs
    - HS Cloud
    - HS Mobile
- Business Staff
  - Application processing
  - Accounting procedures
    - Invoice Creation
    - Payments
    - Bulk Invoice
    - Payment Reporting
    - Online Payments (If applicable)
- Administrative Tools
  - HS Analytics

For all training elements, if additional utilities are added as part of the contract process, a training plan will be developed to ensure that staff are trained for these utilities.

Optional Admin/Super User Training will consist of:

- Form Builder
- Permissions Controls
- Troubleshooting list screen configuration issues

Additional Hourly Rate for Training Services-

\$140.00 (Minimum of 2 hour virtual training per person per hour)

\$425.00 (in person training) per person per hour for each trainer. Cost includes travel