



Meeting Date:
Agenda Item No:

<u>Kitsap County Board of Commissioners</u>			
Office/Department:		Information Services	
Staff Contact:		Andy Hento	
Agenda Item Title:		KC-118-16-C – Paladin Data Systems Corporation	
Recommended Action: Move that the Board of County Commissioners approve and execute the contract amendment with Paladin Data Systems Corporation for ATS. KC-118-16-C - Paladin Data Systems Corporation			
Summary:	Kitsap County has contracted with Paladin Data Systems Corporation to develop an upgrade to the underlying architecture in the ATS/LIS utilizing SQL and .Net technologies that align with Kitsap County Information Services strategic support goals. This Third Contract Amendment extends the contract to terminate on June 30, 2022 and reduces the contract by \$23,040 by removing training element.		
Attachments:	<ol style="list-style-type: none"> 1. Contract Review Sheet 2. Third Contract Amendment 		
Fiscal Impact for this Specific Action			
Expenditure required for this specific action:		\$0.00	
Related Revenue for this specific action:		\$0.00	
Cost Savings for this specific action:		\$23,040	
Net Fiscal Impact:		\$0.00	
Source of Funds:		Information Services	
Fiscal Impact for Total Project			
Project Costs:		\$1,700,000	
Project Costs Savings:		\$23,040	
Project Related Revenue:		\$0.00	
Project Net Total:		\$1,700,000	
Office/Departmental Review & Coordination			
Office/Department		Elected Official/Department Director	
Information Services			
Contract Information			
Contract Number	Date Original Contract or Amendment Approved	Amount of Original Contract Amendment	Total Amount of Amended Contract
KC-118-16	March 28, 2016	\$1,700,000	
KC-118-16-A	September 10, 2018	\$23,040	\$1,723,040
KC-118-16-B	February 11, 2019	\$0.00	\$1,723,040
KC-118-16-C	Pending	-\$23,040.00	\$1,700,000



Kitsap County
CONTRACT REVIEW SHEET
(Chapter 3.56 KCC)

A. CONTRACT INFORMATION					
1. Contractor	Paladin Data Systems Corporation				
2. Purpose	Third Contract Amendment				
3. Contract Amount	23,040 reduction	Disburse	<input type="checkbox"/>	Receive	<input type="checkbox"/>
4. Contract Term	Extend through June 30, 2022				
5. Contract Administrator	Andy Hento	Phone	360-337-4946		
Approved:	Craig Adams	Date	5/3/2021		
	Department Director				
B. AUDITOR – ACCOUNTING INFORMATION					
1. Contract Control Number	KC-118-16-C				
2. Fund Name	Information Services				
3. Payment from-Revenue to CC/Account Nbr	5168.5419				
4. Encumbered By	NA	Date			
	amemdment				
C. AUDITOR'S ACCOUNTING – GRANTS REVIEW <i>Signature required only if contract is grant funded</i>					
1.	<input type="checkbox"/> Approved	<input type="checkbox"/> Not Approved			
Reviewer	NA	Date			
2. Comments:					
D. ADMINISTRATIVE SERVICES DEPARTMENT – RISK MANAGER REVIEW					
1.	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not Approved			
Reviewer	Timothy M. Perez	Date	5/3/2021		
2. Comments:	Amendment Only				
E. ADMINISTRATIVE SERVICES DEPARTMENT – BUDGET MANAGER REVIEW <i>Signature required only if contract is for \$50,000 or more, OR it will be signed by board of commissioners (regardless of dollar amount)</i>					
1.	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not Approved			
Reviewer	Aimée Campbell	Date	05/03/2021		
2. Comments:					
F. PERSONNEL DEPARTMENT – PERSONNEL DIRECTOR REVIEW <i>Signature required only if union or employment contract</i>					
1.	<input type="checkbox"/> Approved	<input type="checkbox"/> Not Approved			
Reviewer		Date			
2. Comments:					
G. PROSECUTING ATTORNEY					
1.	<input checked="" type="checkbox"/> Approved as to Form	<input type="checkbox"/> Not Approved as to Form			
Reviewer	Kasi Walker	Date	05/03/2021		
2. Comments:					
H. CERTIFICATION BY CONTRACT ADMINISTRATOR: THIS CONTRACT IS READY FOR CONSIDERATION BY THE AUTHORIZED CONTRACT SIGNER. <i>(For contract signing authority, see KCC 3.56.075)</i>					

Date Approved by Authorized Contract Signer:

Date _____

RETURN SIGNED ORIGINALS TO:

Lee Reyes @ MS- 7

KC-118-16C

**AMENDMENT NO. 3
TO THE
CONTRACT FOR PROFESSIONAL SERVICES**

THIS AMENDMENT NO. 3 (“Amendment”), dated May 10, 2021 (**“Amendment Effective Date”**), by and between Paladin Data Systems Corporation, a Washington state corporation and wholly-owned subsidiary of Dude Solutions, Inc., a Delaware corporation with its principal office at 11000 Regency Parkway #400, Cary, North Carolina 27518 (**“Contractor”**) and Kitsap County, a Washington state political subdivision with its principal office at 614 Division Street, Port Orchard, Washington 98366 (**“County”**) amends the Contract for Professional Services, by and between Contractor and County, effective December 1, 2015, and amended on September 13, 2018 and February 11, 2019, also identified as Kitsap County Contract No. KC-118-16 (**“Agreement”**). Each capitalized term used herein and not defined in this Amendment shall have the meaning set forth in the Agreement.

Now, THEREFORE, in consideration of the mutual promises contained below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Contractor and County agree as follows:

1. **Term.** The undersigned parties hereby amend and restate the first sentence of Section 1 (Effective Date of Contract) of the Agreement as follows:

“The Contract will become effective December 1, 2015 and terminate on June 30, 2022.”

2. **Statement of Work.** Notwithstanding anything to the contrary in the Agreement (including, without limitation, Section 4 and Section 5.1 of the Agreement), the parties hereby amend and replace Exhibit A: Scope of Work (including Attachment A-1: Scope of Work), Exhibit B: Timeline for Functional Deliverables, Exhibit C: Deliverable Discrepancy and Exhibit D: Payment Schedule of the Agreement with the statement of work attached hereto as Exhibit A (ATS Statement of Work) (**“ATS SOW”**).

3. **Payment.** Notwithstanding anything to the contrary in the Agreement (including, without limitation, Section 4 and Section 5.1 of the Agreement), County hereby agrees to pay for the Resolved Modules set forth in the **ATS SOW**.

- a. Contractor and County acknowledge and agree that the following are Resolved Modules and payment is as follows:

- i. LIDS: \$14,220 – paid in full
- ii. RATS: \$8,900 – due within 30 days of the Amendment Effective Date

- b. Contractor and County acknowledge and agree that the following Modules are scheduled for delivery under the **ATS SOW**. When a Module has been Resolved (as defined by ATS Product Readiness Service Level Agreement (**“Product Readiness SLA”**) attached hereto as Exhibit B) the Contractor will obtain sign-off from County (via a sign-off sheet) and will issue an invoice. The County shall pay the Contractor within thirty (30) days of receipt of invoice. At the mutual agreement of the Parties partial payment proportional to the level of Resolution may be issued and such agreement will be documented in an amendment to the Agreement.

Modules

- i. Cashiering – 9.88% - \$19,760
- ii. Common – 3.58% - \$7,160
- iii. Interfaces – 1.41% - \$2,820

- iv. Levies – 2.98% - \$5,960
- v. Notices – 1.45% - \$2,900
- vi. Personal Property – 12.71% - \$25,420
- vii. REETS – 5.99% - \$11,980
- viii. Reports – 14.24% - \$28,480
- ix. Real Property – 36.20% - \$72,400
- x. Final Acceptance (upon resolution of all **Documented Issues** (as defined below)) - \$50,000

4. **Product Readiness.** Upon the Module Acceptance Date (defined in the **ATS SOW**) for the final End-to-End Regression Testing and Data Validation set forth in the **ATS SOW**, the Assessor Treasurer System ("**ATS Application**") shall be deemed "**Product Ready**" (such date, "**Product Readiness Date**"). Upon 90 days after the Product Readiness Date, the "**Online Subscription Agreement**" attached hereto as Exhibit C (Online Subscription Agreement) shall govern the parties' rights and responsibilities regarding the ATS Application. For the avoidance of doubt, County's payment obligations under the Agreement shall survive any termination or expiration of the Agreement.

5. **Service Level Agreement.** Notwithstanding anything to the contrary in the Agreement (including, without limitation, Section 5.1 of the Agreement), Contractor's sole obligations with respect to any Non-Conformance (defined in the **ATS SOW**) identified by County after the Module acceptance date and provided to Contractor in writing (email to suffice) are set forth in the **Product Readiness SLA**.

At the end of the Post-Product Readiness time period (as defined in the **Product Readiness SLA**), the County will provide a list of Documented Issues of all unresolved Medium issues (as defined in the **Product Readiness SLA**) ("**Documented Issues**"). Contractor and County shall meet within ten (10) days following delivery of the **Documented Issues** to mutually address and prioritize the resolution of any outstanding Medium issues. Contractor shall resolve all **Documented Issues** within twelve (12) months following Post-Product Readiness time period. At the end of time twelve (12) month time period, any unresolved Medium issues shall be: 1) transferred to the **Online Subscription Agreement's** SLA and be held to the same Issue Level set forth in the **Product Readiness SLA** and 2) service credit shall be credited consistent with the **Online Subscription Agreement**.

6. Except as amended hereby, the Agreement shall remain in full force and effect. In the event of a conflict between this Amendment and the Agreement, this Amendment shall control to the extent of the conflict. This Amendment may be delivered by electronic transmission and signed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute a single instrument. Such execution and delivery shall be considered valid, binding, and effective for all purposes.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives as of the Amendment Effective Date.

PALADIN DATA SYSTEMS CORPORATION

BOARD OF COUNTY COMMISSIONERS KITSAP COUNTY, WASHINGTON

DocuSigned by:


Signature ID: D1127B429...

Dan Graham

ROBERT GELDER, Chair

Name

EDWARD E. WOLFE, Commissioner

CFO

Title

CHARLOTTE GARRIDO, Commissioner

ATTEST:

Dana Daniels, Clerk of the Board

EXHIBIT A**ATS SCOPE OF WORK****1. Background**

County's LIS was developed utilizing Oracle Forms technology, which has limited capability to advance and modernize. Emerging technology advances led this legacy system to reach the end of its life cycle by 2016. In 2016, County contracted with Paladin Data Systems Corporation to replace and upgrade the underlying architecture utilizing SQL and .Net technologies that aligned with County's Information Services strategic goals. The contract to upgrade LIS expired on December 31, 2019; however, the upgrade continues through present as work is put forth to meet the required functionality.

The Scope of Work set in the originating contract with Paladin Data Systems Corp and adopted by Dude Solutions Inc. (DSI) in the procurement of PDS Corp, is to deliver an upgraded LIS (ATS) to the County that meets the specifications stated in the Scope of Work and shall be supported as a Software-as-a-Service subscription Post-Product Readiness. For the avoidance of doubt, the functionality of the end-of-life LIS Service will not be exactly matched by ATS SaaS; upon mutual written agreement of the parties, some LIS processes may have been optimized or eliminated as redundant due to the design of the ATS SaaS.

2. Project Analysis:

With assistance from the County, DSI performed a Needs Analysis. The Needs Analysis contained the following:

Item	Deliverable
2.0	Project Scope
2.1	Technical Requirements
2.2	Security Requirements
2.3	Data/Information to be collected
2.4	User interface and user management
2.5	Workflows
2.6	Data transfer requirements
2.7	Reporting Requirements
2.8	Other system functionality needs and requirements

3. System Specifications:

DSI shall provide ATS using a SQL .NET architecture. DSI will ensure the following system modules and modifications, as defined prior to the date of this Agreement, are completed for Product Readiness, as defined herein:

Item	Module
3.0	Real Property
3.1	Personal Property
3.2	Additional fees (eg. Public Works SSWM & Nox Weed)
3.3	Local Improvement District, AKA Special Assessment

3.4	Levies
3.5	Cashiering
3.6	Contacts
3.7	Sales
3.8	Validation
3.9	Exemptions
3.10	ATS Utilities <ul style="list-style-type: none"> • New Construction updates • Data exports – Permits/Public Downloads/Tax Statements/Banking/Financials/ ACH payment files • Integrations/Imports – Proval, GIS, SmartGov (County/Cities), check processing (drop box), SSWM, Nox Weed, Security-Active Directory Federation Services (ADFS)
3.11	Permits (legacy)
3.12	Review and Appeals (RATS)
3.13	Real Estate Excise Tax System (REETS)
3.14	Batch Run Log
3.15	System Admin- Users/Permissions/List of Values/System Settings
3.16	Tax Statements/Tax Services- reports and bulk processing
3.17	Cadastral
3.18	Reports (Assessor/Treasurer) – limited templates
3.19	Public Portal <ul style="list-style-type: none"> • Tax Statements (Real Property/Personal Property) • Parcel Details – Assessor data • Personal Property online filing – PPOL • Tax distribution – Tax 101

4. System Development:

DSI shall develop the software application based upon each functionality’s acceptability criteria, defined during Pre-Go-Live Product Readiness. DSI will deliver the following:

Item	Functionality	Function’s Acceptability Criteria*:
4.0	Use Cases	<ul style="list-style-type: none"> • Written description of a task or expected outcome generated by County or DSI personnel using ATS. • Provides plan and order for development. • Aligns with functional timeline.
4.1	Application Program Interfaces (APIs) and Web Services	<ul style="list-style-type: none"> • Identification of County needs pertaining to APIs and web services resulting from cloud deployment. • Included in User Stories and aligns with functional timeline.

Item	Functionality	Function's Acceptability Criteria*:
4.2	Security Configuration	<ul style="list-style-type: none"> • Identification of security risks and/or concerns that may threaten County Data, measured in accordance with industry standards. Will be included in Monthly Status Reports (MSRs). • DSI will implement and maintain a business continuity and disaster recovery plan that provides for the continued delivery of required deliverables as indicated in the functional timeline. • DSI will demonstrate how it meets County security expectations and protocols. • DSI will protect County's Data against unauthorized disclosure by using the same degree of care as it takes to preserve and safeguard its own Confidential Information.
4.3	Data Migration	<ul style="list-style-type: none"> • Importing of County Data into new system. • Development of any APIs, connectors to other systems, or batch load utilities, as needed, to import or export data.
4.4	Reports	<ul style="list-style-type: none"> • DSI will develop and integrate report templates currently used in the County system into the new system (deference given to Section 5 Design Impacts).

* The acceptance criteria, referenced in Item 4, County Review and Acceptance, shall at least reflect the contents of the "Function's Acceptance Criteria" column.

All work submitted by DSI will be certified by DSI and checked by DSI for errors and omissions. DSI shall use their systems to provide ATS functional development, implementation, unit testing and user testing. DSI will provide County off-site access to their system for functional, user, and Pre-Go-Live Product Readiness testing.

5. Testing

ATS Milestones to Complete Remaining Work

Since design changes have been introduced into the product, it is important for DSI to include the process to be tested, how to test, and expected outcome. Similarly, County will provide written documentation citing which processes/functionality passed or failed in testing. For any that fail, County will provide the name of tester, reason for failure and/or behavior witnessed, and information about the gap between testing outcome and expected outcome. In the event of any errors or omissions by DSI in the performance of any work, DSI will make all necessary corrections without additional compensation.

Item	Milestone
1.1	Audit Log
1.2	Search
1.3	Data Dictionary
1.4	Contacts & System Admin
2.1	Cadastral
2.2	Exemptions
2.3	Foreclosures & Distraints
3.1	Real Property & Assessments
3.2	Levies & Annexations
3.3	Reports

Item	Milestone
4.1	Notices
4.2	Notice Reports
5.1	REETS
5.2	Personal Property
6.1	Cashiering
6.2	Reports
6.3	User Manual
7.0	Final System Tickets
8.0	End to End Regression Testing
9.0	Data Validation & Final Acceptance

Each Milestone may uncover processes or functionality that is either missing or does not align with needed data processing results. If so, County and DSI will mutually determine the commercially reasonable best course of action and impacts to the deployment timeline or the business risks. Such decisions will be made and documented in accordance with the ATS Product Readiness Service Level Agreement (“**Product Readiness SLA**”).

Testing Milestones

When presented with a Milestone for testing, County will make commercially reasonable best efforts to complete testing of delivered functionality within ten (10) business days, not to exceed twenty (20) business days, unless restricted by the date frames noted in Table (1) or waiting on staging for specific scenarios. If excessive items are released for testing that exceed the capacity of County work teams, DSI and County will develop an acceptable strategy for testing turn around. Any issues found after the testing window will fall under the Product Readiness SLA.

Table 1

Date Range	Business Function	Office
2/15-2/28	Tax Statements	Treasurer
4/18-5/9	1 st Half Tax collection/processing	Treasurer
5/15-5/31	Change of Value Notices	Assessor
10/17-11/9	2 nd Half Tax collection/processing	Treasurer
11/1-12/13	Levy Calculation	Assessor
12/13-1/15	End of year rollover	Treasurer & Assessor

Design Impact

Initially intended to be an upgrade of the current County system, both County and DSI must recognize that design change decisions could have impact on initial requirements. The requirements gathered when it was intended to be an upgrade project may have to be altered in order to accomplish the same outcome in a newly designed system. As business processes may be different in the new system, County testing or DSI development may identify issues that reflect gaps in functionality which impact these processes. When identified, County and DSI will mutually determine the commercially reasonable best course of action and impacts to the deployment timeline or the business risks. Such decisions will be made and documented in accordance with the Product Readiness SLA. For example:

- Reports and Connectors (APIs): County’s Information Services Department has been developing most of the reports and connectors (APIs) for this project. Initially, with 60 reports identified in the initial requirements, the reports were split evenly with 30 reports to be developed by County and 30 by DSI. As design changes were introduced, the need for reports grew to over 200 and County assumed the entire additional growth.
- While design change decisions have increased complexity of the underlying architecture, schema, and data structure, County and DSI has agreed in situations to remove or reduce scope of some requirements in an attempt to maintain a manageable timeline/workload to achieve Product Readiness. County has agreed to delay specific requirements with the agreement from DSI that such requirements will be placed on the future roadmap for completion Post Go-Live. Today, the future roadmap Post Go-Live includes:
 - Archiving (a purging processes to manage retention and deletion of records and data) within the system.
 - Added functionality of the Public Portal: Initially proposed to be a more robust upgrade from our current portal, County and DSI agreed to trim the requirements down to match existing functionality to achieve Product Readiness.

6. System Implementation:

The following system implementation function and acceptability criteria shall take place at Product Readiness, when the DSI-hosted, cloud (or on-demand) production instance is established.

Item	Function	Function’s Acceptability Criteria*:
6.0	Product Installation Services	<ul style="list-style-type: none"> • Product/system setup of a DSI-hosted, cloud (or on-demand) production instance of the ATS application.
6.1	Configuration Services	<ul style="list-style-type: none"> • Contractor will ensure all services are configured for County in accordance with the Product Readiness SLA. • Initial setup of all users with security access rights based on specifications provided by County. • Security documentation outlining access levels, list of user accounts developed, security protocols developed into system.
6.2	Product Readiness	<ul style="list-style-type: none"> • ATS is technically complete and ready for external users as determined by the Contractor; it is when all Critical, High, and Must-Have Issues shall be defined, and Resolved in accordance with the Service Level Agreement.
6.3	Data Migration Services	<ul style="list-style-type: none"> • Data mapping and any transformation rules are practiced. • Import of current County data into production. • Any manual data entry services or staging, as needed, to ensure all current County data is production. • Data validation to ensure all data is in production.
6.4	County Go-Live	<ul style="list-style-type: none"> • Rollout strategy is defined, scheduled, and communicated. • Support team is prepared and equipped to support the DSI-hosted, cloud (or on-demand) production instance of the ATS application.

* The acceptance criteria, referenced in Item 6, System Implementation, shall at least reflect the contents of the “Function’s Acceptance Criteria” column.

7. Training:

Item	Deliverable	What's Included in this Deliverable
7.0	System and user documentation	<ul style="list-style-type: none"> • System documentation that describes, at minimum but not limited to; architecture, system parameters, configurations, security, workflows, interfaces, and reporting • User documentation that outlines how users access, enter, and export information. • Drafts of user documentation will be provided with deliverables submitted for testing. • "Final" draft of user documentation to be submitted to County for review 30 days prior to Product Readiness. • If applicable, the "final" draft of the user documentation will be updated during Post-Product Readiness to address any needed changes and will be provided to County at the end of the ninety (90) day Post-Product Readiness time period.
7.1	Training Plans	<ul style="list-style-type: none"> • User Training Plan outlining how/when users will be trained on new system. This plan will be reviewed and approved by County thirty (30) days prior to Product Readiness. • Trainer/Supervisor Training Plan outlining how/when County Trainers and Supervisors will be trained on new system. This plan will be reviewed and approved by County thirty (30) days prior to Product Readiness.
7.2	Training Sessions	<ul style="list-style-type: none"> • At minimum, Contractor will provide (3) training sessions for County users, trainers, and supervisors. County will make every effort to ensure all users, trainers, and supervisors attend one of the training sessions, however if all cannot fit into sessions, more may need to be provided at no additional cost.
7.3	Technical Support	<ul style="list-style-type: none"> • Provide ninety (90) days of Product Readiness technical support. This support is to be considered separate from any additional contracted, on-going support agreements.

8. Hosting Services and On-Going Technical Support:

Any hosting services, on-going technical support will be considered out of scope of this agreement. This agreement is for a system upgrade and any additional hosting or support, except where indicated in this agreement, will be handled as separate agreements. In January 2019, the County and DSI entered into an "Online Subscription Agreement" in anticipation of the completion of this Agreement, and the County paid DSI \$50,000 as part of the initial \$250,000 subscription fee.

9. Project Management:

Item	Deliverable	What's Included in this Deliverable
9.1	Change Management Plan	<ul style="list-style-type: none"> • This plan will include requirement that all changes must be approved by the Project Managers (PMs) of both parties to ensure change requests are within scope and avoid unintentional scope creep. Any change that is not within scope, will only be effective upon the written agreement of the Parties in the form of a contract amendment. DSI will be paid only for work expressly authorized in the Agreement or amendment to the agreement. • Plan will consist of detailed process of how to communicate change requests, outcomes of change requests and how they are logged.
9.2	Risk Assessment	<ul style="list-style-type: none"> • Identification of known risk and concerns in regards to meeting Project objectives, deliverables, and timeline.

10. Compensation:

This Agreement is a Firm Fixed Price agreement with a specific payment schedule. The total cost of this Agreement is \$1,700,000 which includes all deliverables associated with this project. The original payment schedule included a \$250,000 project initiation fee and a \$250,000 project completion fee. The remaining \$1,200,000 was to be paid as development fees with a limit of \$600,000 per annual year, broken down into payments of \$50,000 per month, and paid upon County acceptance of that month's functional deliverables. In 2016 and 2017, the County paid DSI the \$250,000 project initiation fee and the \$1,200,000 in development fees. In September 2018, the County and DSI agreed that the remaining \$250,000 project completion fee would be paid in increments as DSI completed the remaining work for the system modules. In August 2019, the County paid DSI \$14,220 at the completion of the LIDS module. At this time, DSI has completed one additional module (RATS). The County will pay DSI for the RATS module within thirty (30) days of the execution of the third amendment to the Agreement. The County will pay DSI additional compensation once the issues for the remaining modules are resolved as defined in the Product Readiness SLA.

EXHIBIT B
ATS PRODUCT READINESS SERVICE LEVEL AGREEMENT

This ATS Product Readiness Service Level Agreement (“**Product Readiness SLA**”) describes the service that County will receive from Contractor during the period of time leading up to Product Readiness and Post-Product Readiness. Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Agreement.

1. **DEFINITIONS.** As used in this Product Readiness SLA, the following terms will have the following meanings:
 - 1.1. “**ATS**” means the ATS software application pursuant to the Agreement. For avoidance of doubt, ATS applies only to County’s production instance and shall exclude all beta and early adopter programs, user interface (UI) or user experience (UX) changes, feature or functionality improvements and enhancements where a workaround exists.
 - 1.2. “**Business Hours**” shall mean 8:00am – 5:00pm PST, Monday through Friday, excluding New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, day after Thanksgiving, Christmas Eve and Christmas Day.
 - 1.3. “**Client-Go-Live**” shall define the date or period of time following “Product Readiness” when Contractor and County mutually agree to deploy ATS to Client’s external users.
 - 1.4. “**Critical**” shall have the meaning described in the table, Issue Level Descriptions and Targets, set forth below.
 - 1.5. “**High**” shall have the meaning described in the table, Issue Level Descriptions and Targets, set forth below.
 - 1.6. “**Issue**” means there is a problem discovered that causes ATS to become unavailable or exhibit incorrect behavior, as described in its applicable acceptance criteria.
 - 1.7. “**Low-Enhancement**” shall have the meaning described in the table, Issue Level Descriptions and Targets, set forth below.
 - 1.8. “**Medium**” shall have the meaning described in the table, Issue Level Descriptions and Targets, set forth below.
 - 1.9. “**Must-Have**” shall have the meaning described in the table, Issue Level Descriptions and Targets, set forth below.
 - 1.10. “**Post-Product Readiness**” shall define the 90-day period of time following Product Readiness and transitions ATS to the standard SLA governing County’s use of Dude Solutions, Inc. (Contractor)’s Subscription Services as defined in a separate services agreement.
 - 1.11. “**Product Readiness**” shall mean ATS is technically complete and ready for external users as determined by the Contractor; it is when all Critical, High, and Must-Have Issues shall be defined, and Resolved prior to code freeze.
 - 1.12. “**Resolution**” or “**Resolved**” shall mean, with respect to any particular reported Issue, that Contractor has corrected or provided a mutually agreed upon workaround to such Issue.
 - 1.13. “**Response**” shall mean Contractor’s acknowledgement of issue identified by County in writing.
 - 1.14. “**Use Case**” or “**Use Case Scenario**” shall mean a written description of a task or expected outcome generated by County or Contractor personnel using ATS.
2. **Product Release Readiness.**
 - 2.1. During the period of time leading up to Product Readiness, County and Contractor shall identify Issues while testing and report Issues as Use Cases. Project managers or during the in-person weekly project management meetings, will include testing to identify and provide written feedback identifying new or remaining issues. Identified Issues will be ranked according to the Issue level set forth in the following table. Assigned Issue Level classification shall apply until the Issue reaches Resolution unless otherwise mutually agreed upon in writing. In all cases, Parties agree to work in good faith with continued velocity toward Resolution as quickly as commercially reasonable.
 - 2.2. During the period of Post-Product Readiness, County and Contractor shall identify Issues while testing and/or using and report Issues as Use Cases. Project managers will provide written feedback

identifying new or remaining issues. Identified Issues will be ranked according to the Issue level set forth in the following table. Assigned Issue Level classification shall apply until the Issue reaches Resolution unless otherwise mutually agreed upon in writing. In all cases, Parties agree to work in good faith with continued velocity toward Resolution as quickly as commercially reasonable.

2.3. At the end of Post-Product Readiness time period, any Critical or High Issues that are not Resolved in accordance with this Product Readiness SLA, shall be transferred to the Online Subscription Agreement’s SLA and be held to the same Issue Levels set forth herein.

Issue Level	General Description & Criteria	Product Readiness Target Response Time	Product Readiness Target Resolution Time	Post-Product Readiness Target Response Time	Post-Product Readiness Target Resolution Time	Resolution Plan
<p>Critical (Severity 1)</p>	<p>Work Outage: Issue causes County to be unable to perform a major portion of its job. There is no workaround to the problem (i.e., the job cannot be performed in any other way).</p> <p>Issue has one or more of the following characteristics:</p> <ul style="list-style-type: none"> • Service is down or unavailable (unable to access a screen or area of the product); • County data integrity is at risk (i.e. system does not process tax assessment with the correct calculation); • Widespread key functionality is interrupted, and mission-critical business operations are non-operational; or • Complete failure of a major feature (i.e. unable to create work orders). 	<p>Issue captured upon written receipt (i.e. email or in-person).</p>	<p>Product Readiness</p>	<p>Within 1 hour on a 24x7 basis</p>	<p>ASAP with 24x7 monitoring and Response</p>	<p>Product Readiness: Contractor to work with County to suitably resolve Critical Issues that meet the business objective within reasonable performance and usability measures.</p> <p>Post-Product Readiness: Work starts within 1 hour of Severity 1 alert and continues 24x7 until a resolution is in place. Client Status Page is updated to reflect work in progress (http://status.dudesolutions.com/).</p> <p>During business hours, Production Issue status is communicated on an hourly basis, unless the parties agree otherwise.</p>
<p>High (Severity 2)</p>	<p>Work Outage: Issue causes County to be unable to perform a major portion of its job. There is a workaround to the problem, but it is difficult and time consuming to perform without a fix.</p> <p>Issue has one or more of the following characteristics:</p> <ul style="list-style-type: none"> • Service is available, but inhibits the outcome being achieved with reasonable efforts; 	<p>Issue captured upon written receipt (i.e. email or in-person).</p>	<p>Product Readiness</p>	<p>4 Business Hours</p>	<p>5 Business Days</p>	<p>Product Readiness: Contractor to work with County to suitably resolve High Issues that meet the business objective within reasonable performance and usability measures.</p> <p>Post Product-Readiness: Work starts immediately upon acknowledgement and will continue until a resolution plan is in place. Resolution plan is communicated</p>

Issue Level	General Description & Criteria	Product Readiness Target Response Time	Product Readiness Target Resolution Time	Post-Product Readiness Target Response Time	Post-Product Readiness Target Resolution Time	Resolution Plan
	<ul style="list-style-type: none"> County data integrity is at risk, but a mitigation is available with extra effort; Widespread key functionality is delayed or inhibited, and mission-critical business operations are slow; or Failure of major feature causes extra effort and work around. 					within 12 hours.
Must-Have (Prior to Product Readiness only)	<p>Work Outage: Issue causes County to be unable to work or perform a moderate portion of its job. There is a workaround to the problem (i.e., the job can be performed in some other way).</p> <p>Issue has one or more of the following characteristics:</p> <ul style="list-style-type: none"> The issue is external user-facing and requires an external user to find another way to complete the function. Overall performance is severely degraded to the point of material impact on usage; or Data entry or access is impaired on a limited basis. 	Issue captured upon written receipt (i.e. email or in-person).	Product Readiness	n/a	n/a	Contractor to work with County to suitably resolve Must-Have Issues that meet the business objective within reasonable performance and usability measures.
Medium (Severity 3)	<p>Work Outage: Issue causes County to be unable to perform some minor portion of its job, but it is still able to complete most other tasks. There may or may not be a workaround to the problem.</p> <p>Issue has one or more of the following characteristics:</p> <ul style="list-style-type: none"> Issue is internal to County employees, not external user-facing. A feature is not functional from one area of the Service, but the task can be performed less conveniently from another part of the Service; 	Issue captured upon written receipt (i.e. email or in-person).	Product Readiness or Post-Product Readiness. Any Issues not resolved during Product Readiness will be resolved during Post-Product Readiness.	8 Business Hours	45 Business Days	<p>Product Readiness: Issue is researched, and a resolution plan is communicated to County as soon as feasible.</p> <p>Contractor to work with County to suitably resolve Medium Issues that meet the business objective within reasonable performance and usability measures.</p> <p>Post-Product Readiness: Issue is researched and a resolution plan is communicated within 24 hours.</p>

Issue Level	General Description & Criteria	Product Readiness Target Response Time	Product Readiness Target Resolution Time	Post-Product Readiness Target Response Time	Post-Product Readiness Target Resolution Time	Resolution Plan
	<ul style="list-style-type: none"> Overall performance is operational but degraded; or Minor Service functionality errors (i.e. creates a credibility issue with external facing clients, unreasonable or egregious client accessibility issues). 					
Low-Enhancement (Severity 4)	<p>Work Outage: Issue creates a non-functional or cosmetic impact to County that does not affect functionality or data, or indicates a perceived shortcoming in the Service that has no significant impact to usage or availability. There may or may not be a workaround to the problem.</p> <p>Issue has one or more of the following characteristics:</p> <ul style="list-style-type: none"> Cosmetic errors that are not impacting overall functionality; or Slight degradation in performance with no material impact on functionality. 	Issue captured upon written receipt (i.e. email or in-person).	At Contractor's discretion	12 Business Hours	At Contractor's discretion	<p>Product Readiness: Issue is researched, and a resolution plan is communicated to County at Contractor's discretion.</p> <p>Product Readiness: Issue is researched, and a resolution plan is communicated at Contractor's discretion.</p>

EXHIBIT C
ONLINE SUBSCRIPTION AGREEMENT

See the Online Subscription Agreement contract KC-126-19 between Kitsap County, a Washington state political subdivision, and Dude Solutions, Inc., a Delaware corporation, effective January 1, 2019, as amended.