



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-15

For the meeting of: August 22, 2017

Dates: August 16, 2017
To: Board of Supervisors
From: John Bartholomew, Treasurer-Tax Collector
Subject: RevQ Software License, Hosting and Support Services Agreement with Ontario Systems, LLC

RECOMMENDATIONS:

That the Board of Supervisors:

- 1. Approve, and authorize the Chair of the Board to execute, the attached RevQ software license, hosting and support services agreement with Ontario Systems, LLC for fiscal years 2017-2018 through 2019-2020; and
2. Direct the Clerk of the Board to return two (2) fully executed copies of the attached RevQ software license, hosting and support services agreement to the Humboldt County Treasurer-Tax Collector's Office for further processing.

SOURCE OF FUNDING:

General Fund 1100-114

DISCUSSION:

The Revenue Recovery Department has been using the Revenue Plus Collection System ("RPCS") for many years. This RPCS system, also known as 'CUBS', is a very antiquated DOS based system whereas RevQ, also known as Revenue Results, is windows based and dramatically more user friendly due to its use of current technology versus technology from the 1980s.

Prepared by John Bartholomew

CAO Approval [Signature]

REVIEW: Auditor [Signature] County Counsel [Signature] Personnel Risk Manager [Signature] Other

TYPE OF ITEM: [X] Consent [] Departmental [] Public Hearing [] Other

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT
Upon motion of Supervisor [Signature] Seconded by Supervisor [Signature]
Ayes [List of Names]
Nays
Abstain
Absent

PREVIOUS ACTION/REFERRAL:

Board Order No.

Meeting of:

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: Aug. 22, 2017
By: [Signature]
Kathy Hayes, Clerk of the Board

On February 7, 2017 (Item I-2), the Humboldt County Board of Supervisors authorized paying for the RevQ system in the 2016-17 fiscal year as a budget adjustment as follows:

- *\$40,000 Revenue Recovery (1100-114) - To upgrade Revenue Results, also known as CUBS, collection system used by Revenue Recovery from the current DOS based system to a Windows based system. This upgrade will enhance reports, data transfers, customization, tracking and client contact to increase productivity and efficiency across all Revenue Recovery operations. Revenue Recovery is now within the Treasurer-Tax Collector's Office (TTC). This expenditure is offset by an unanticipated refund from Motor Pool. This supplemental budget supports the Board's Strategic Framework, Core Roles by providing for and maintaining infrastructure.*

Since that approval the Revenue Recovery Division of the Humboldt County Treasurer-Tax Collector's Office has been able to further refine operational needs relative to information technology workarounds done to RPCS over the years and has been able to reduce the cost of the RevQ system to Thirty Thousand Seven Hundred Sixty Dollars (\$30,760.00). Once the upgrade and installation of the RevQ system is completed in the 2017-2018 fiscal year there will not be any additional costs associated with the upgrade for the remainder of the agreement which shall remain in full force and effect until June 30, 2020.

The attached RevQ software license, hosting and support services agreement also includes a "1st Renewal Term" for the 2017-2018 fiscal year for software licensing and interface modules for RevQ for use with the Franchise Tax Board's (FTB) Court Ordered Debt and Tax Intercept programs. The cost for the 1st renewal term is Twenty-Five Thousand Nine Hundred Eighty Dollars (\$25,980.00). These software licensing and FTB modules will also be renewed for the 2018-2019 and 2019-20 fiscal years for a cost of Twenty-Six Thousand Seven Hundred Fifty-Nine Dollars (\$26,759.00) for fiscal year 2018-2019 and Twenty-Seven Thousand Five Hundred Sixty-Two Dollars (\$27,562.00) for fiscal year 2019-2020.

The attached software license, hosting and support services agreement will allow the use of current technology and will provide operational efficiencies for both Revenue Recovery and Information Technology Department staff because the RevQ system will be hosted by Ontario Systems, LLC; the owner of the RevQ system.

FINANCIAL IMPACT:

The attached RevQ software license, hosting and support services agreement with Ontario Systems, LLC has a maximum amount payable of One Hundred Eleven Thousand and Sixty One Dollars (\$111,061.00). In no event shall the maximum amount paid under the attached RevQ software license, hosting and support services agreement exceed Fifty-Six Thousand Seven Hundred Forty Dollars (\$56,740.00) for fiscal year 2017-2018 and Twenty-Six Thousand Seven Hundred Fifty-Nine Dollars (\$26,759.00) for fiscal years 2018-2019 and Twenty-Seven Thousand Five Hundred Sixty Two Dollars (\$27,562.00) for fiscal year 2019-2020. As noted above, Thirty Thousand Seven Hundred and Sixty Dollars (\$30,760.00) has already been approved and encumbered as part of 2016-2017 budget to cover a portion of the costs associated with the attached RevQ software license, hosting and support services agreement.

The recommended action supports the Board's Strategic Framework by managing county resources to ensure sustainability of community services.

OTHER AGENCY INVOLVEMENT:

None.

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ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may decide to not approve the attached RevQ software license, hosting and support services agreement with Ontario Systems, LLC. This alternative is not recommended because it would force Revenue Recovery and Information Technology staff to continue using inefficient and difficult to support technology.

ATTACHMENTS:

1. RevQ Software License, Hosting and Support Services Agreement

ATTACHMENT 1

**SOFTWARE LICENSE, HOSTING AND SUPPORT SERVICES AGREEMENT
BY AND BETWEEN
ONTARIO SYSTEMS, LLC
AND
COUNTY OF HUMBOLDT
FOR FISCAL YEARS 2017-2018 THROUGH 2019-2020**

This Software License Agreement (“Agreement”), entered into this 17th day of August, 2017, by and between Ontario Systems, LLC, a Delaware Limited Liability Company, hereinafter referred to as “Ontario Systems,” and the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as “Client,” is made upon the following considerations:

WHEREAS, Client, by and through its Treasurer-Tax Collector’s Office – Revenue Recovery Team, desires to retain a qualified professional firm to implement and maintain collection related software for the purpose of performing certain revenue recovery services; and

WHEREAS, such work involves the performance of professional and technical services of a temporary and occasional character; and

WHEREAS, Client has no employees available to perform such services and is unable to hire employees for the performance thereof for the temporary period; and

WHEREAS, Ontario Systems represents that it is qualified to perform the services required by Client.

NOW THEREFORE, the parties hereto mutually agree as follows:

1. DEFINITIONS:

- 1.1. Administrator.** As used herein, the term “Administrator” means the person assigned by Client to communicate with Ontario Systems regarding error reporting.
- 1.2 Client Confidential Information.** As used herein, the term “Client Confidential Information” means the debtor financial information contained in Client’s database(s) and other proprietary information disclosed by Client to Ontario Systems which Client labeled “Confidential” or “Proprietary” at the time of disclosure or, if the disclosure is oral, is reduced to writing and marked “Confidential” or “Proprietary” within ten (10) days of the time of the first oral disclosure.
- 1.3 Confidential Information.** As used herein, the term “Confidential Information” means all Ontario Systems Confidential Information and all Client Confidential Information as defined herein and in any attachment hereto.
- 1.4. Documentation.** As used herein, the term “Documentation” means the tangible or intangible information necessary for the use, planning, operation and maintenance of the Software as outlined in the RevQ User Guide manual.
- 1.5. Go Live Date.** As used herein, the term “Go Live Date” means the date that Ontario Systems makes available to Client any of the Software in a production, non-test environment. There may be multiple Go Live Dates for each implementation and in such case, where this Agreement references a Go Live Date it references the first of such Go Live Dates unless explicitly stated otherwise.

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- 1.6. **Hardware.** As used herein, the term “Hardware” means any piece of tangible equipment used for the purpose of running Software.
- 1.7. **Ontario Systems Confidential Information.** As used herein, the term “Ontario Systems Confidential Information” means the Software and Documentation, including any subsequent revisions thereto, and any related trade secrets or other proprietary information provided by Ontario Systems to Client which Ontario Systems labeled "Confidential" or "Proprietary" at the time of disclosure or, if the disclosure is oral, is reduced to writing and marked "Confidential" or "Proprietary" within ten (10) days of the time of the first oral disclosure.
- 1.8. **Product(s).** As used herein, the term “Product(s)” means those goods, supplies, materials, items, components, hardware and the incidental associated software listed in this Agreement and provided by Ontario Systems. Client is aware that Ontario Systems does not manufacture nor maintain any Client hardware or networks.
- 1.9. **Release.** As used herein, the term “Release” means an update of the Software, subsequent to the initial delivery of the Software, in which Ontario Systems provides one (1) or more new features and functionality to the Software. A Release will have updated Documentation, a new Release number, and may include any accumulated corrections which make the Software conform to the Documentation, or any improvements in the performance of the Software.
- 1.10. **Server.** As used herein, the term “Server” means all the inclusive attributes of the RevQ software residing on the Hardware used to store the database and RevQ software application.
- 1.11. **Software.** As used herein, the term “Software” means the software identified in the description section of Schedule A – Rate of Compensation, which is attached hereto and incorporated herein by reference.
- 1.12. **Support Guide.** As used herein, the term “Support Guide” means the then-current Ontario Systems Support Guide available through Ontario Systems’ online customer resource center. The Support Guide may be updated from time to time by Ontario Systems by making such Support Guide available to Client at Ontario Systems’ online customer resource center.
- 1.13. **Support Services.** As used herein, the term “Support Services” means those support and maintenance services specifically described in Ontario Systems’ Support Guide.
- 1.14. **Upgrades.** As used herein, the term “Upgrades” means an update to the Software, subsequent to the initial delivery of the Software, in which Ontario Systems has incorporated any accumulated corrections which make the Software conform to the then current Documentation or any improvements in the performance of the Software.
- 1.15. **Workstation Software.** As used herein, the term “Workstation Software” means any RevQ software loaded onto any Client workstations or other equipment to access the Server.

2. COPYRIGHT:

The Software and Documentation are licensed, not sold. All title to, and copyrights in, the Software and Documentation, and any copies thereof, are owned by Ontario Systems, its suppliers or its licensors. Client may not copy or modify, or permit others to copy or modify the Software or Documentation except as expressly provided herein. Client may not reverse engineer, decompile or

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disassemble the Software. Client may not access, disable or modify the access code that controls the operability of the Software. Ontario Systems, its suppliers and its licensors continue to own all rights to the copy of the Software licensed to Client under this Agreement along with all copies and modifications that Client makes to the Software whether or not such copies or modifications are authorized by Ontario Systems. Client does not own the copy of the Software licensed to Client or any media on which the software may be embodied. Client's right to possess and use the Software is only as specified in this Agreement. Nothing in this Agreement constitutes a waiver of any rights under U.S. copyright law or any other international, federal or state law.

3. SCOPE OF LICENSE:

- 3.1. Grant of Software License.** During the term of and subject to the provisions of this Agreement, Ontario Systems grants to Client a nonexclusive, nontransferable license, without the right to sublicense, for the Software, to be used for accounts receivable purposes.
- 3.2. Use of Licensed Software.** The Software is licensed to Client so that only one (1) copy of the Software residing on the Server is in use at any given moment and that Client will only access the Server up to the maximum Software licenses the Client has purchased from Ontario Systems.
- 3.3. Ownership of Licensed Software.** Ontario Systems continues to own all rights to the copy of the Software licensed to the Client under this Agreement along with any and all copies that the Client is authorized to make.
- 3.4. Retainer of Rights.** Client's rights to use the Software are specified in this Agreement, and Ontario Systems retains all rights not expressly granted in this Agreement.
- 3.5. Duplication of Licensed Software.** Client may only make one (1) back-up copy of the Software licensed to Client under this Agreement for Client's disaster recovery use. For the sake of clarity, Client acknowledges that Client shall not have the ability to make a back-up copy of the Software that is hosted by Ontario Systems on Client's behalf.
- 3.6. Ownership of Client Data.** Client data entered into the Software licensed to Client under this Agreement is solely owned by Client.
- 3.7. Software Upgrades and Releases.** Upgrades and Releases will be offered to Client at no additional charge as long as Client has paid all licensing fees then due pursuant to the terms and conditions of this Agreement. If a CD is requested for the Software, then Client is responsible for any freight charges or applicable taxes that may be associated with sending the Software to the Client in a media other than electronically over the internet.
- 3.8. Hosting Services.** During the term and subject to the provisions of this Agreement, Ontario Systems shall provide hosting services as outlined in Schedule B – Hosting Attachment, which is attached hereto and incorporated herein by reference.

4. TERM:

This Agreement shall begin upon execution by both parties and shall remain in full force and effect until June 30, 2020, unless sooner terminated as provided herein.

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5. TERMINATION:

- 5.1. Breach of Contract.** Either party may terminate this Agreement in the event that the other party materially defaults in performing any obligation under this Agreement and such default continues un-remedied for a period of thirty (30) days following the terminating party providing the other party with written notice thereof.
- 5.2. Termination by Ontario Systems.** Ontario Systems may terminate this Agreement if: (i) Client fails to pay any amount owed to Ontario Systems that is not in dispute and Client does not cure such default within ten (10) days following written notice to Client of such failure to pay; in which case, termination will automatically occur at the end of such ten (10) day period; or (ii) Client infringes, misappropriates, or otherwise violates Ontario Systems' proprietary rights, in which case termination will occur upon Ontario Systems notifying Client of the breach and Ontario Systems exercising its termination rights under this Section.
- 5.3. Insufficient Funding.** Client's obligations under this Agreement are contingent upon the availability of local, state and/or federal funds. In the event such funding is reduced or eliminated, Client may terminate this Agreement by providing Ontario Systems with thirty (30) days advance written notice of its intent to terminate this Agreement due to insufficient funding.
- 5.4. Compensation Upon Termination.** In the event of any termination of this Agreement, Ontario Systems is entitled to compensation for and Client shall pay to Ontario Systems for any and all uncompensated licenses and Support Services rendered under this Agreement through and including the effective date of such termination.
- 5.5. Effect of Termination.** Upon termination of this Agreement, Client shall promptly return all copies of the Software and accompanying written materials to Ontario Systems.

6. FEES AND CHARGES:

- 6.1. Maximum Amount Payable.** The maximum amount payable by Client for the licenses provided, hosting and Support Services rendered, and costs and expenses incurred, including, without limitation, shipping and/or freight costs and travel, lodging and meal expenses, pursuant to the terms and conditions of this Agreement is One Hundred Eleven Thousand Sixty-One Dollars (\$111,061). In no event shall the maximum amount paid under this Agreement exceed Fifty-Six Thousand Seven Hundred Forty Dollars (\$56,740.00) for fiscal year 2017-2018 and Twenty-Six Thousand Seven Hundred Fifty-Nine Dollars (\$26,759.00) fiscal year 2018-2019 and Twenty-Seven Thousand Five Hundred Sixty Two Dollars (\$27,562) for fiscal year 2019-2020. Ontario Systems agrees to provide all licenses and perform all Support Services required by this Agreement for an amount not to exceed such maximum dollar amount. However, if local, state or federal funding or allowance rates are reduced or eliminated, Client may, by amendment, reduce the number of licenses and services in order to reduce the maximum amount payable set forth herein, or terminate this Agreement as provided herein.
- 6.2. Schedule of Rates.** The specific rates and costs applicable to this Agreement are set forth in Schedule A – Rate of Compensation, which is attached hereto and incorporated herein by reference. The prices and fees set forth in Schedule A – Rate of Compensation are exclusive of, and Client shall be solely responsible for paying, all sales, use, excise and similar taxes

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relating to the sale or license of the Software.

- 6.3. Payment.** Ontario Systems shall submit to Client annual invoices itemizing all licenses and hosting services provided and costs and expenses incurred, or to be incurred, including, without limitation, shipping and/or freight costs and travel, lodging and meal expenses, pursuant to the terms and conditions of this Agreement. Invoices shall be in a format approved by, and shall include backup documentation as specified by the Humboldt County Treasurer-Tax Collector and the Humboldt County Auditor-Controller. Ontario Systems shall submit a final invoice for payment within ninety (90) days following the expiration or termination date of this Agreement. Client shall make payment to Ontario Systems for the licenses provided, hosting and Support Services rendered and costs and expenses incurred pursuant to the terms and conditions of this Agreement within thirty (30) days from the date of Client's receipt of invoices. All invoices submitted by Ontario Systems shall be sent to Client at the following address:

Client: Humboldt County Treasurer-Tax Collector's Office – Revenue Recovery Team
Attention: John Bartholomew, Treasurer-Tax Collector
825 Fifth Street, Room 125
Eureka, California 95001

- 6.4. Additional Licenses and Services.** Any additional licenses and/or Support Services not otherwise set forth herein shall not be provided by Ontario Systems, or compensated by Client, without the parties agreeing to such additional licenses or services in writing. Ontario Systems shall notify Client, in writing, at least six (6) weeks prior to the date upon which Ontario Systems estimates that the maximum payable amount will be reached.

7. SUPPORT:

- 7.1. Support Services.** Provided that the Client pays all fees owed to Ontario Systems under this Agreement, and maintains a secure connection as required by Ontario Systems, Ontario Systems shall provide the Support Services for the Software in accordance with the Support Guide. Client's Administrator shall report any perceived problem to Ontario Systems in accordance with the Support Guide, and Ontario Systems shall use its reasonable efforts to correct or have corrected any reproducible material nonconformance with the Documentation. While Ontario Systems may choose to provide the Support Services, in its sole discretion, for older versions, Client acknowledges that Ontario Systems shall only be obligated to provide the Support Services for the most recent version of the Software, and the immediately prior version of the Software. If a defect results from something other than the Software, or from a breach of Client's obligations under this Agreement, Client, in its sole discretion, may authorize Ontario Systems to correct such defect and charge Client at Ontario Systems' then current hourly rate for such assistance. If Client provides such authorization, Client shall pay Ontario Systems' the fees for such assistance in accordance with Section 6.3. If Client does not provide authorization for Ontario Systems to provide such services at the hourly rate, Ontario Systems may refuse to provide the assistance.

- 7.2. Exclusions.** Ontario Systems may refuse to furnish Support Services under this Agreement if Support Services are required as a result of:

7.2.1. Operation of the Software in environmental conditions outside those prescribed by the hardware platform manufacturer or those defined in the Hardware specifications provided by Ontario Systems for the Release the Client is running on (applicable to

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on-premises deployments only).

7.2.2. Failure by Client to keep the hardware platform properly maintained in accordance with standards of maintenance prescribed by the manufacturer (applicable to on-premises deployments only).

7.2.3. The Software being maintained or modified by anyone other than Ontario Systems or a third party authorized by Ontario Systems.

7.2.4. Client's use of an unsupported version of the Software.

8. REPORTS:

Ontario Systems agrees to assist Client with any and all reports relating to Client's data stored or processed through the Software that may be required by local, state and/or federal agencies for compliance with this Agreement. Reports shall be submitted no later than fifteen (15) days after the end of each calendar quarter using the format required by the State of California as appropriate.

9. RECORD RETENTION AND INSPECTION:

9.1. **Maintenance and Preservation of Records.** Ontario Systems agrees to timely prepare accurate and complete financial, performance, documents and other evidence relating to the licenses and Support Services provided hereunder, and to maintain and preserve said records for at least three (3) years from the date of final payment under this Agreement, except that if any litigation, claim, negotiation, audit or other action is pending, the records shall be retained until completion and resolution of all issues arising therefrom.

9.2. **Inspection of Records.** Pursuant to California Government Code Section 8546.7, all records, documents, conditions and activities of Ontario Systems, and its subcontractors, related to the licenses and Support Services provided hereunder, shall be subject to the examination and audit of the California State Auditor and any other duly authorized agents of the State of California for a period of three (3) years after final payment under this Agreement. Ontario Systems hereby agrees to make all such records available during normal business hours to inspection, audit and reproduction by any duly authorized local, state and/or federal agencies. Ontario Systems further agrees to allow interviews of any of its employees who might reasonably have information related to such records by any duly authorized local, state and/or federal agencies. All examinations and audits conducted hereunder shall be strictly confined to those matters connected with the performance of this Agreement, including, but not limited to, the costs of administering this Agreement. Such inspections or audits will not take place more frequently than once per year. Notwithstanding the aforementioned, Ontario Systems will not retain data records regarding Client data stored or processed through the Software after this Agreement is terminated.

9.3. **Audit Costs.** Each party will bear their own costs associated with an audit as outlined in this provision.

10. MONITORING:

Provided Client has timely paid all fees under this Agreement that are not being disputed in accordance with this Agreement and provides Ontario Systems with at least thirty (30) business days' advance written notice, Client may conduct an audit of Ontario Systems' security practices

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and policies once during any twelve (12) month period. The audit shall be performed at a mutually agreeable date, at Ontario Systems' site, during normal business hours and in conformance with generally accepted auditing standards. Any such audit(s) shall be conducted at Client's sole expense and Client and/or its representatives shall only be granted access to those areas of Ontario Systems' systems and/or facilities that are relevant to the purpose of the audit. Client will ensure that all persons performing such review will have confidentiality requirements in place with Client that will protect all information learned by such personnel from unauthorized use or disclosure and that such personnel will execute any further confidentiality agreements reasonably deemed necessary by Ontario Systems. Client shall ensure such personnel comply with Ontario Systems' supervision, policies and procedures while on Ontario Systems' site and shall not remove any information from Ontario Systems' site without Ontario Systems' express written permission. In performing such review, Client shall take all reasonable steps to minimize disruption to Ontario Systems' business.

11. CONFIDENTIAL INFORMATION:

11.1. Non-Disclosure of Confidential Information. Neither Client nor Ontario Systems shall disclose or use the other's Confidential Information for any purpose not expressly permitted by this Agreement unless such disclosure is expressly authorized in writing by the disclosing party. The receiving party will take all reasonable steps necessary to ensure that neither the disclosing party's Confidential Information nor any portion thereof is disclosed or made available by the receiving party, or by any of its agents or employees, in any form, including, but not limited to, magnetic tape, disk or memory, to any organizations or individuals other than the receiving party. The receiving party will ensure that all individuals having access to the disclosing party's Confidential Information will comply with the requirements set forth herein. This provision shall apply to all disclosing party's Confidential Information provided to the receiving party at any time prior to, during or subsequent to the term of this Agreement. Each party hereby agrees that, in the event the receiving party breaches the requirements set forth herein, the disclosing party will be harmed in a manner that cannot be cured by monetary damages, and therefore, the disclosing party shall be entitled to injunctive relief without the need to prove actual damages or the unavailability of a remedy at law.

11.2. Non-Disclosure of Personally Identifiable Information. In the performance of this Agreement, Ontario Systems may receive personally identifiable information that is confidential under local, state or federal law. Ontario Systems hereby agrees to protect all personally identifiable information in accordance with all applicable local, state and federal laws, regulations, policies, procedures and standards.

11.3. Use and Disclosure of Unrestricted Information. Neither Ontario Systems nor Client shall have any obligation to limit disclosure of the following:

11.3.1. Information in the public domain at the time it is communicated by the disclosing party. Information shall not be deemed in the public domain, if only a minor portion of such information is in the public domain, or if substantially all the information is found only by combining information from multiple public domain sources.

11.3.2. Information that enters the public domain through no fault of the receiving party.

11.3.3. Information that enters the public domain through a breach of this Agreement by the disclosing party.

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11.3.4. Information which the receiving party can establish by its written or electronic records to have been in its possession prior to, and independent of, the disclosing party's disclosure of such information.

11.3.5. Information that is required to be disclosed by the receiving party pursuant to court order or applicable law including, but not limited to, the California Public Records Act, provided that advance notice of the disclosure is provided to the disclosing party.

11.4. Continuing Compliance with Confidentiality Laws. The parties acknowledge that local, state and federal laws and regulations pertaining to confidentiality, electronic data security and privacy are rapidly evolving and that amendment of this Agreement may be required to ensure compliance with such developments. Each party agrees to promptly enter into negotiations concerning an amendment to this Agreement embodying written assurances consistent with the requirements of any applicable local, state and federal laws, regulations.

12. NON-DISCRIMINATION COMPLIANCE:

12.1. Professional Services and Employment. In connection with the execution of this Agreement, Ontario Systems, and its subcontractors, shall not unlawfully discriminate in the provision of professional services or against any employee or applicant for employment because of any classifications protected by applicable local, state or federal laws or regulations. Nothing herein shall be construed to require the employment of unqualified persons.

12.2. Compliance with Anti-Discrimination Laws. Ontario Systems further assures that it, and its subcontractors, will abide by the applicable provisions of Title VI and Title VII of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title II of the Americans with Disabilities Act of 1990 and any other applicable local, state and federal laws or regulations.

13. NUCLEAR FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

Ontario Systems certifies by its signature below that it is not a Nuclear Weapons Contractor, in that Ontario Systems is not knowingly or intentionally engaged in the research, development, production or testing of nuclear warheads, nuclear weapons systems or nuclear weapons components, as defined by the Nuclear Free Humboldt County Ordinance. Ontario Systems agrees to notify Client immediately if it becomes a Nuclear Weapons Contractor as defined above. Client may immediately terminate this Agreement if it determines that the foregoing certification is false or if Ontario Systems subsequently becomes a Nuclear Weapons Contractor.

14. WARRANTY:

14.1. Services Warranty. Ontario Systems warrants that it will use reasonably qualified personnel to provide the Support Services in a professional manner. Client's sole and exclusive remedy for a breach of the foregoing warranty shall be the re-performance of the applicable Support Services at no additional cost to Client.

14.2. Software Warranty. Ontario Systems warrants that the Software shall materially comply

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with the applicable Documentation for a period of ninety (90) days from the Go Live Date (“Warranty Period”). Ontario Systems shall have no obligation to correct any nonconformity under this provision that is reported outside of the Warranty Period or that cannot be reproduced by Ontario Systems. For nonconformities reported outside of the Warranty Period, all such nonconformities will be handled through the provision of Support Services as set forth in this Agreement. Client’s sole and exclusive remedy for breach of the forgoing warranty shall be Ontario Systems correcting such nonconformity at no additional cost to Client. The forgoing warranty shall not apply to any nonconformity caused by:

14.2.1. Client’s use or operation of the Software with an application or in an environment other than that recommended in writing by Ontario Systems.

14.2.2. Client’s failure to comply with the Documentation or the requirements set forth in this Agreement.

14.2.3. Modifications or alterations made to the Software that were not made by Ontario Systems or its subcontractors.

14.3. Disclaimer. There are no representations, promises, warranties or understandings relied upon by Client which are not contained in this Agreement. Except for the warranties expressly stated in this Agreement, Ontario Systems disclaims all warranties, express or implied, with regard to the Products and services provided hereunder, including, but not limited to, those regarding merchantability, non-infringement, title or fitness for a particular purpose. Ontario Systems does not warrant that the Products and services will meet Client’s requirements or that the Products and services will be uninterrupted or error-free, or that data stored pursuant to Products and services will not be lost. Ontario Systems is not liable for third party items or hardware in any manner. Ontario Systems disclaims any warranty or representation under this Agreement to any person other than Client.

15. LIMITATIONS:

15.1. Limitation of Liability. Ontario Systems’ liability in the aggregate to Client for any causes of action, claims or assertions arising under or related to this Agreement and/or the Products and services (each a “Claim”), regardless of whether such Claim is based on contract, tort, negligence, strict liability, products liability or otherwise, is limited to triple the fees, if any, paid by Client the twelve (12) months prior to the date the Claim is made. In no event does this relate to third-party liability that Ontario Systems has an obligation to indemnify for under Section 16; only liability relating to the parties of this agreement. In no event will Ontario Systems or its suppliers be liable to Client for loss of data, lost profits, or be liable for any indirect, incidental, punitive, consequential, exemplary or special damages of any type or nature, even if Ontario Systems has been advised of the possibility of such damages. In no event shall Ontario Systems be liable for any Claim arising out of or relating to:

15.1.1. The use of Client Confidential Information or other Client information that is inaccurate or incomplete when supplied by Client.

15.1.2. Client’s use of any third party items or hardware, even if Ontario Systems has been advised of the possibility of such Claim.

15.2. Time Limitation on Claims. Neither party may bring any Claim arising out of or related to

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acts and/or omissions relating to or arising from this Agreement, regardless of the form, against the other party more than two (2) years after the occurrence of such acts and/or omissions.

16. INDEMNIFICATION:

16.1. Indemnification – Copyright and Patent. Ontario Systems shall hold harmless, defend, indemnify and pay the cost and damages made in settlement or awarded as a result of a legal action based upon an allegation that the Software infringes a duly issued United States patent or copyright or violates a known trade secret if Ontario Systems is notified promptly in writing of such action, if Ontario Systems has sole control of defense and negotiations for settlement and if Client fully cooperates concerning the legal action. Ontario Systems' total liability to Client hereunder is limited to triple the license fees (if any) paid by Client the twelve (12) months prior to the date the claim is made regarding the infringing software. The foregoing states the entire liability of Ontario Systems with respect to claims based on and resulting from the infringement of patents, copyrights or trade secrets. If Ontario Systems remedies the infringement by providing Client with a new Release which modifies the Software in such a manner as to restore Client's right to use the Software ("Corrected Release"), Client shall, notwithstanding any other provision of this Agreement, accept and utilize the Corrected Release and immediately cease all further use of all prior Releases of the Software. If Client's use of the Software is finally enjoined, Ontario Systems may do any of the following, at its option:

16.1.1. Procure the continued right of use.

16.1.2. Replace or modify the Software to restore the right of use.

16.1.3. Terminate this Agreement.

16.2 Exclusions. Ontario Systems shall not be obligated to provide indemnification if the infringement claim arises from:

16.2.1. Any use of the Software that is not specified or authorized by this Agreement.

16.2.2. Any modification of the Software by anyone other than Ontario Systems.

16.2.3. Any combination or merger of the Software with or into any computer program(s) not licensed by Ontario Systems.

16.2.4. Client's failure to use the Corrected Release.

16.3 Indemnification – General. Ontario Systems shall hold harmless, defend and indemnify Client and its agents, officers, officials, employees and volunteers from and against any and all third party claims for damages, losses and expenses (including attorney's fees) arising out of or from: (i) bodily injury, death or damage or destruction to tangible, real or personal property to the extent any of these were caused by any willful or negligent act or omission on the part of Ontario Systems or its personnel; (ii) an authorized disclosure of personally identifiable information by Ontario Systems or its personnel in violation of this Agreement and/or in violation of applicable laws; or (iii) Ontario Systems violation of any applicable law.

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16.4 Indemnification Procedure. The Client shall notify Ontario Systems of any claim that falls under this Section 16 promptly after the Client learns of such claim; provided, however, that Ontario Systems shall only be relieved of its obligations under this Section 16 due to the failure of Client to provide such prompt notice to the extent that the failure materially prejudices Ontario Systems in defending such claim. Ontario Systems' obligations under this Section 16 is conditioned upon the Client (i) providing all reasonably requested information and cooperation to Ontario Systems; and (ii) giving Ontario Systems sole control of the defense and/or settlement of such claim, at the Ontario Systems' sole cost and expense; provided, however, that Ontario Systems may not settle any such claim in a manner that requires the Client to admit fault or incur any direct expense without the consent of Client, which will not be unreasonably withheld or delayed. Client may participate in the defense of any such suit or proceeding at its own expense through counsel of its own choosing. If Ontario Systems fails to timely undertake the defense of a claim under this Section 16, Client may undertake the defense (including settlement) of such claim.

16.5. Effect of Insurance. Acceptance of the insurance required by this Agreement shall not relieve Ontario Systems from liability under this provision. This provision shall apply to all claims for damages related to the licenses and Support Services provided by Ontario Systems pursuant to the terms and conditions of this Agreement regardless of whether any insurance is applicable or not. The insurance policy limits set forth herein shall not act as a limitation upon the amount of indemnification or defense to be provided by Ontario Systems hereunder. Ontario Systems may decide whether to file a claim with its insurance provider related to any indemnification obligation under this Section 16 or any other liability that stems from the breach of Ontario Systems' obligations under this Agreement; provided that, in the event insurance coverage is available, Ontario Systems will file a claim with its insurance provider if Ontario Systems cannot satisfy the potential financial obligations related to an adverse claim.

17. INSURANCE REQUIREMENTS:

This Agreement shall not be executed by Client, and Ontario Systems is not entitled to any rights hereunder, unless certificates of insurance, or other proof that the following provisions have been complied with, are filed with the Clerk of the Humboldt County Board of Supervisors.

17.1. General Insurance Requirements. Without limiting Ontario Systems' indemnification obligations provided for herein, Ontario Systems shall take out and maintain, throughout the entire period of this Agreement, and any extended term thereof, the following policies of insurance, placed with insurers authorized to do business in the State of California with a current A.M. Bests rating of no less than A-: VII or its equivalent against personal injury, death and property damage which may arise from, or in connection with, the activities of Ontario Systems and its agents, officers, directors, employees, licensees, invitees, assignees or subcontractors:

17.1.1. Comprehensive or Commercial General Liability Insurance in an amount of Two Million Dollars (\$2,000,000.00) per occurrence for any one (1) incident, including, but not limited to, personal injury, death and property damage and Four Million Dollars (\$4,000,000) in the general aggregate.

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Software License, Hosting and Support Services Agreement

- 17.1.2.** Automobile/Motor Liability Insurance with a limit of liability not less than One Million Dollars (\$1,000,000.00) combined single limit coverage. Such insurance shall include coverage of all hired and non-owned vehicles.
- 17.1.3.** Workers' Compensation Insurance, as required by the Labor Code of the State of California, with statutory limits, and Employers Liability Insurance with a limit of no less than One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease.
- 17.1.4.** Professional Liability Insurance – Error and Omission Coverage including coverage in an amount no less than Two Million Dollars (\$2,000,000.00) per occurrence (Four Million Dollars (\$4,000,000.00) general aggregate).
- 17.3. Insurance Notices.** Any and all insurance notices required to be given pursuant to the terms of this Agreement shall be sent to the addresses set forth below in accordance with the notice provisions described herein.

Client: County of Humboldt
Attention: Risk Management
825 Fifth Street, Room 131
Eureka, California 95501

Ontario Systems: Ontario Systems, LLC
Attention: Alex Forman, VP and General Counsel
1150 W. Kilgore Ave
Muncie, Indiana 47305

18. DISPUTE RESOLUTION:

In the event a dispute between the parties arises, and upon one party requesting dispute resolution under this provision, Ontario Systems and Client agree to work cooperatively to resolve the dispute amicably. Each party shall make available at least its project manager, as well as, at least one (1) officer with the authority to resolve the dispute on behalf of the party to discuss the dispute and possible resolutions. Both parties acknowledge that time is of the essence in resolving such disputes and that unless otherwise agreed to by the parties in writing, all such resolution discussions shall be completed within thirty (30) days from the date a party requests dispute resolution under this provision. If a resolution is not reached within such thirty (30) day period or any extended period agreed to by the parties in writing, either party may take all legal actions it deems necessary to enforce its rights hereunder. The parties acknowledge and agree that this dispute resolution process is required and shall be followed prior to either party terminating this Agreement due to an alleged breach of the other party or seeking any remedy available to it, including, but not limited to filing any type of legal action.

19. NON-SOLICITATION:

Client acknowledges and agrees that in the course of performing Client's obligations under this Agreement, Client will be introduced to, and work with employees, agents and representatives of Ontario Systems. Client acknowledges and agrees that the employees, agents and representatives of

Software License, Hosting and Support Services Agreement

Ontario Systems are valuable resources in which Ontario Systems has invested considerable time, effort and resources. Therefore, Client agrees that for the duration of this Agreement, and for one (1) year thereafter, Client shall not directly or indirectly solicit, interfere with, entice away, hire or employ, whether as an employee, agent, representative, consultant, independent contractor or otherwise, any employee, agent or representative of Ontario Systems without the express written consent of Ontario Systems.

20. RELATIONSHIP OF PARTIES:

It is understood that this Agreement is by and between two (2) independent entities and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint venture or any other similar association. Both parties further agree that Ontario Systems shall not be entitled to any benefits to which Client's employees are entitled, including, but not limited to, overtime, retirement benefits, leave benefits or workers' compensation. Ontario Systems shall be solely responsible for the acts or omissions of its agents, officers, employees, assignees and subcontractors.

21. COMPLIANCE WITH APPLICABLE LAWS AND LICENSURE REQUIREMENTS:

Each party agrees to comply with any and all local, state and federal laws and regulations applicable to the provision and use of the Software and services provided hereunder.

22. REFERENCE TO LAWS AND RULES:

In the event any law, regulation or rule applicable to the Software or Support Services provided pursuant to this Agreement is amended during the term hereof, the parties agree to comply with the amended provision as of the effective date thereof.

23. SEVERABILITY:

If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

24. ASSIGNMENT:

Neither party shall delegate its duties nor assign its rights or obligations hereunder, either in whole or in part, without the other party's prior written consent. Any assignment, transfer, or delegation in violation of this provision shall be null and void, and shall be cause for immediate termination of this Agreement. Notwithstanding the foregoing, Ontario Systems may, without the consent of Client, assign or transfer this Agreement to a successor-in-interest in the event of a merger, consolidation or acquisition of all or substantially all of the assets or business of Ontario Systems applicable to providing the Software, provided that (a) the assignee to which this Agreement is assigned or transferred agrees in writing to be bound by the terms and conditions of this Agreement and any applicable attachment, and (b) the assigning party notifies the other party of such assignment within a reasonable period of time after it occurs. For the sake of clarity, the foregoing prohibition on assignment, transfer or delegation shall not limit Ontario Systems ability to employ hosting providers to host the Software or to otherwise utilize subcontractors to provide the Services. Further, Client acknowledges that any change of ownership of Ontario Systems, whether by way of asset purchase, stock purchase, merger or other operation of law, shall not be considered an

Software License, Hosting and Support Services Agreement

assignment of this Agreement.

25. **BINDING EFFECT:**

All provisions of this Agreement shall be fully binding upon, and inure to the benefit of, the parties and to each of their permitted successors, assigns and bankruptcy trustees.

26. **WAIVER OF DEFAULT:**

The waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement. In no event shall any payment by Client constitute a waiver of any breach of this Agreement or any default which may then exist on the part of Ontario Systems. Nor shall such payment impair any remedy available to either party with respect to any breach or default.

27. **JURISDICTION AND VENUE:**

This Agreement shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder, or relating hereto, shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to California Code of Civil Procedure Sections 394 and 395.

28. **NOTICES:**

All notices required to be given pursuant to the terms and conditions of this Agreement shall be in writing and served personally or sent by certified mail, return receipt requested, to the respective addresses set forth below, unless and until a different address has been designated by written notice to the other party. Notice by certified mail shall be deemed effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

Client: County of Humboldt
Attention: Risk Management
825 Fifth Street, Room 131
Eureka, California 95501

Ontario Systems: Ontario Systems, LLC
Attention: Legal Department
1150 W. Kilgore Ave
Muncie, Indiana 47305

29. **AMENDMENT:**

This Agreement may be amended in writing at any time during the term of this Agreement upon the mutual consent of both parties. No addition to, or alteration of, the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

30. **ADVERTISING AND MEDIA RELEASE:**

All informational material related to this Agreement shall receive approval from Client prior to being used as advertising or released to the media, including, but not limited to, television, radio, newspapers and internet. Ontario Systems shall inform Client of all requests for interviews by the

Software License, Hosting and Support Services Agreement

media related to this Agreement before such interviews take place; and Client shall be entitled to have a representative present at such interviews. All notices required by this provision shall be given to the Humboldt County Treasurer-Tax Collector or a designee thereof.

31. SUBCONTRACTS:

Ontario Systems may subcontract any of the services to be provided under this Agreement without obtaining Client's advance written approval. Any and all subcontracts shall be subject to all applicable terms and conditions of this Agreement, including, without limitation, the licensing, certification and confidentiality requirements set forth herein. Ontario Systems shall remain legally responsible for the performance of all terms and conditions of this Agreement, including work performed by third parties under subcontracts, whether approved by Client or not.

32. ATTORNEY FEES:

If any suit or action is filed by any party to enforce this Agreement or otherwise with respect to the subject matter of this Agreement, the prevailing party will be entitled to recover reasonable attorney fees incurred in the preparation, prosecution or defense of such suit or action as fixed by the trial court, and if any appeal is taken from the decision of the trial court, reasonable attorney fees as fixed by the appellate court.

33. SURVIVAL:

The duties and obligations of the parties set forth in Section 5.4 – Compensation Upon Termination, Section 9 – Record Retention and Inspection, Section 11 – Confidential Information, Section 14.3 – Disclaimer, Section 15 – Limitations, Section 16 – Indemnification, Section 19 – Non-Solicitation, Section 20 – Relationship of Parties, Section 23 – Severability, Section 29 – Notices, Section 33 – Survival, Section 35 – Interpretation and Section 38 – Entire Agreement, shall survive the expiration or termination of this Agreement.

34. CONFLICTING TERMS OR CONDITIONS:

In the event of any conflict in the terms or conditions set forth in any other agreements in place between the parties hereto and the terms and conditions set forth in this Agreement, the terms and conditions set forth herein shall have priority.

35. INTERPRETATION:

This Agreement, as well as its individual provisions, shall be deemed to have been prepared equally by both of the parties hereto, and shall not be construed or interpreted more favorably for one party on the basis that the other party prepared it.

36. INDEPENDENT CONSTRUCTION:

The titles of the sections, subsections and paragraphs set forth in this Agreement are inserted for convenience of reference only, and shall be disregarded in construing or interpreting any of the provisions of this Agreement.

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37. FORCE MAJEURE:

Except for Client's payment obligation, neither party shall be in default if failure to perform any obligation hereunder is caused solely by supervening conditions beyond such party's control, including, without limitation, acts of God, civil commotion, strikes, labor disputes, interruption of transportation, unavoidable accidents or governmental demands or requirements.

38. ENTIRE AGREEMENT:

This Agreement, including any attachments, schedules, and addendums hereto, contains the entire Agreement of the parties with respect to its subject matter and supersedes all existing Agreements and all other oral, written or other communications between them concerning its subject matter. Any and all acts which may have already been consummated pursuant to the terms and conditions of this Agreement are hereby ratified.

39. AUTHORITY TO EXECUTE:

Each person executing this Agreement represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this Agreement. Each party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such party's obligations hereunder have been duly authorized.

[Signatures on Following Page]

Software License, Hosting and Support Services Agreement

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the first date written above.

ONTARIO SYSTEMS, LLC:

By: ^{DocuSigned by:} Alex Forman
~~Alex Forman~~
VP and General Counsel

Date: August 18, 2017

COUNTY OF HUMBOLDT:

By: Virginia Bass
Virginia Bass
Chair, Humboldt County Board of Supervisors

Date: 8/22/17

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: K. Bass
Risk Management

Date: 8/18/17

LIST OF ATTACHMENTS:

- Schedule A – Rate of Compensation
- Schedule B – Hosting Attachment

Fiscal Year: _____ to _____ MM/DD/YYYY MM/DD/YYYY	County: _____
Tax Exempt: <input type="checkbox"/> Yes <input type="checkbox"/> No (If Yes please provide tax exempt certificate)	

Software License, Hosting and Support Services Agreement

SCHEDULE A RATE OF COMPENSATION Ontario Systems, LLC For Fiscal Years 2017-2018 Through 2019-2020
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Purchase Order # _____

Purchase Order Date _____

Fiscal Year 2017-2018:

QTY	DESCRIPTION	TOTAL
9	RevQ Software Licenses	\$12,420.00
9	RevQ Hosting Fees (\$100 per license per month)	\$10,800.00
1	System Administration User	Included
1	Account Distribution/Payment proration Module	Included
1	Tax Intercept Module	\$1,380.00
1	California FTB/COD Module	\$1,380.00
1	California EDD Module (in development)	TBD
1	Collections Process Analysis/Functional Review – Remote	\$2,560.00
1	Project Management	\$5,000.00
1	System Setup & Collector Process Training	\$3,600.00
1	Estimated Travel Expense	\$2,000.00
1	End User Training	\$3,600.00
1	RPCS – Revenue Results Database Conversion	\$9,600.00
1	Interface Consulting* (Placements)	\$2,400.00
1	Travel Expenses	\$2,000.00
1	Follow-up Training – 6 hours (Remote)	Included
	Total Amount	\$56,740.00

* Ontario Systems shall provide Data Conversion and Data Interface Consulting of up to 75 hours for this price. If the consulting hours exceed this number of hours, the Client will be notified and further direction from the Client will be asked if additional hours are needed and the Client will be charged the on-going hourly rate at the time the need is requested.

Fiscal Year 2018-2019:

QTY	DESCRIPTION	TOTAL
9	RevQ Software Licenses	\$12,793.00
9	RevQ Hosting Fees (\$100 per license per month)	\$11,124.00
1	System Administration User	Included
1	Account Distribution/Payment proration Module	Included
1	Tax Intercept Module	\$1,421.00
1	California FTB/COD Module	\$1,421.00
1	California EDD Module (in development)	TBD
	Total Amount	\$ 26,759.00

The Licensing, Hosting, and Support Services fees for fiscal year 2018-2019 will be billed separately.

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Fiscal Year 2019-2020:

Software License, Hosting and Support Services Agreement

QTY	DESCRIPTION	TOTAL
9	RevQ Software Licenses	\$13,176.00
9	RevQ Hosting Fees (\$100 per license per month)	\$11,458.00
1	System Administration User	Included
1	Account Distribution/Payment proration Module	Included
1	Tax Intercept Module	\$1,464.00
1	California FTB/COD Module	\$1,464.00
1	California EDD Module (in development)	TBD
	Total Amount	\$ 27,562.00

The Licensing, Hosting, and Support Services fees for fiscal year 2019-2020 will be billed separately.

SCHEDULE B
HOSTING ATTACHMENT
 Ontario Systems, LLC
 For Fiscal Years 2017-2018 Through 2019-2020

Ontario Systems, LLC ("Ontario Systems") and County of Humboldt ("Client") enter into this Hosting Attachment ("Attachment") under the attached Software License Agreement (the "Agreement"). Any capitalized terms used in this Attachment have the same meaning provided in the Agreement, unless otherwise stated in this Attachment. To the extent this Attachment conflicts with the Agreement, the terms of this Attachment shall prevail. The date this Attachment is signed by the last party (as indicated by the date associated with that party's signature) will be deemed the effective date of this Attachment. Ontario Systems and Client agree as follows:

- 1.1. Hosting. Ontario Systems shall provide the hosting services in accordance with the Service Level Standards set forth in Appendix A. Ontario Systems may use a third party to provide the hosting services in order to permit Client to electronically access the object code form of the applicable Software. In the event Ontario Systems changes the hosting provider, Ontario Systems shall provide Client with thirty (30) days advance written notice. For the sake of clarity, the term Hardware in the Agreement refers to the equipment hosted by or on behalf of Ontario Systems for the purposes of running the Software and allowing Client to access the Software. Client acknowledges that the Software is provided to Client in a hosted environment and Client has no right to possess a copy of or make any copies of the Software.
- 1.2. Client Data. Client represents and warrants that Client has all necessary rights and consents needed to permit Ontario Systems to use and have access to all Client data and any other data, materials and systems Client provides to Ontario Systems for the purposes of Ontario Systems hosting the Software and Client Data. Client is responsible for the accuracy and integrity of its Client data and adopting procedures to identify and correct errors and omissions in the Client data. Client owns and will control all Client data. Client represents and covenants that Client will not provide, post or transmit any data as part of the Client data that infringes or violates any third party's patent rights, trademark rights, copyrights, trade secret rights, intellectual property rights, contractual rights, publicity/privacy rights, or that contains any viruses, malware, or worms intended to damage, interrupt or misappropriate the Software and if applicable, Ontario Systems' hosted site. Ontario Systems has no obligation to and does not review Client data for accuracy or potential third-party liability. Provided Client has paid all fees due under this Agreement and Ontario Systems hosts any Software on Client's behalf, Ontario Systems will provide Client with a copy of the hosted Client data from the last backup thereof upon termination of the Agreement and/or this Attachment; provided that Client requests this copy within thirty (30) days of termination of this Attachment.
- 1.3. Hosting Services and Capacity. The hosting environment will have the following capacity which is based on the typical capacity requirements for a Client. If Client exceeds the below user or account limitations or has additional custom configuration needs, additional hosting fees will apply.

Desc.	Capacity of Hosted Environment
Hosted Environment	<ul style="list-style-type: none"> o 15 users o 1 Gb of database size per user o No more than average 2 accounts per debtor

4. Change in Hosting Capacity. Once Client reaches the Warning Level of its hosted and shared CPU utilization, Ontario Systems shall electronically notify Client's designated contact for hosting operations of the need to either upgrade the hosting services or conduct a maintenance review to reduce Client's utilization back below the Warning Level. Client shall designate a single e-mail address for such electronic notices to be provided to and promptly notify Ontario Systems of any change in Client's designated contact for hosting operations. Client acknowledges that if Client reaches the Critical Level of CPU utilization that the Software response times will suffer. Accordingly, in the event Client reaches the Critical Level of CPU utilization, Ontario Systems shall automatically move Client to an isolated hosting environment at Ontario Systems' then current fees which will be automatically reflected in Client's next invoice for the hosting services fees. As used in this Section, the "Warning Level" means 50% of total hosted environment CPU utilization and 50% of hosted environment's shared CPU utilization and the "Critical Level" means 60% of total hosted environment CPU utilization and 60% of hosted environment's shared CPU utilization. Ontario Systems may change the Warning Level and Critical Level of CPU utilization by providing notice to Client.
5. Connection to the Hosting Environment. Client shall work with Ontario Systems to set up a connection to connect to the hosted environment. Client shall pay all costs related to setting up the connection including purchasing and delivering any equipment to the hosted facility to enable such connection (i.e., an endpoint router for the MPLS connection). Client is

SCHEDULE B
HOSTING ATTACHMENT
 Ontario Systems, LLC
 For Fiscal Years 2017-2018 Through 2019-2020

responsible for making sure all equipment delivered to Ontario Systems functions appropriately and Client shall replace that equipment as needed. The choice of connection may require the adjustment of Client's monthly hosting fee to include any increase in cost that Ontario Systems' incurs as a result of the connection method.

- 6. Acceptable Use Policy. Client shall comply with the acceptable use policy attached hereto as Appendix B. Ontario Systems shall make the acceptable use policy electronically available to Client any time there is any update to the acceptable use policy.

Each party is signing this Attachment on the date stated in that party's signature block.

CLIENT

Authorized Signature

By: Virginia Bass

Print Name: Virginia Bass

Title: Chair, Board of Supervisors

Date: 8/22/17

ONTARIO SYSTEMS, LLC

Authorized Signature

By: Alex Forman
DocuSigned by:

Print Name: Alex Forman
9231C8A25DA1462

Title: VP and General Counsel

Date: August 18, 2017

SCHEDULE B
HOSTING ATTACHMENT
 Ontario Systems, LLC
 For Fiscal Years 2017-2018 Through 2019-2020

Appendix A: Service Level Standards

I. Service Level Commitment. Unless specifically defined otherwise in this Appendix, the capitalized terms used herein shall have the same meaning as set forth in the Agreement and/or Attachment. As used throughout this Appendix, the term "Hosted Items" only relates to the Software and any necessary third party software that are being hosted by Ontario Systems' or its third party hosting provider on behalf of Client and does not include any other software, hardware or third party items or any other on premise software or equipment used by Client (whether or not provided by Ontario Systems). Ontario Systems will use reasonable efforts to ensure that the Hosted Items are available for Client's use 99.5% of the time during each month of the term of this Agreement, excluding Scheduled Downtime, Force Majeure Events, and Emergency Maintenance (as those terms are defined below) (the "Service Level Target").

II. Determining Uptime Percentage. Whether the Service Level Target was met for a given month will be determined by: (i) taking the total average number of hours in a given month over a year and subtracting from that average number of monthly hours the Schedule Downtime, Force Majeure Events and the Emergency Maintenance for the given month to come up with the total number of eligible hours for that month; (ii) taking the total number of eligible hours for that month and subtracting any unplanned downtime to come up with the total number of uptime hours; and (iii) dividing the total number of uptime hours by the total number of eligible hours for that month and multiplying it by 100 to come up with the uptime percent. Ontario Systems and/or its third party hosting provider will be responsible for monitoring service levels, and all determinations regarding whether a Service Level Target was satisfied shall be made by Ontario Systems in Ontario Systems' reasonable discretion.

III. Scheduled Downtime. "Scheduled Downtime" means time required to perform backup, maintenance and restore the Hosted Items that occurs during Ontario Systems' standard maintenance window or during additional downtime that is scheduled in advance by Ontario Systems. Scheduled Downtime typically is communicated at least a week in advance and scheduled to occur at night on the weekend. Ontario Systems hereby provides notice that Ontario Systems currently has the following maintenance windows to use as needed without additional notice:

Type	Day	Time
Intrusive Changes	Thursday & Saturday	09:00pm to 03:00am Pacific Time
Non-Intrusive Changes	Sunday through Friday	09:00pm to 03:00am Pacific Time

As used in this Section, Intrusive Changes refers to maintenance that will render the Hosted Items unavailable and Non-Intrusive Changes refers to maintenance that is not intended to make the Hosted Items unavailable. Ontario Systems may change or adopt additional maintenance windows by giving Client ten (10) business days advance written notice; provided, that such maintenance windows do not occur during normal business hours (8am to 9pm United States Pacific Time).

IV. Force Majeure Events. "Force Majeure Events" means events that cause the Hosted Items to be unavailable and are outside of Ontario Systems' reasonable control, including but not limited to, acts of God, fire, floods, earthquakes, or other natural disasters, terrorism, war, riot, embargoes, and/or internet provider network unavailability/outages.

V. Emergency Maintenance. Ontario Systems, in its sole discretion, may make the Hosted Items unavailable for Emergency Maintenance at any time. "Emergency Maintenance" means any corrective action intended to remedy conditions likely to cause Hosted Items degradation or interruption, as designated by Ontario Systems in its reasonable discretion. Emergency Maintenance may include but is not limited to actions intended to address hardware or software failures or viruses, malware, worms or other disabling code. Ontario Systems will exercise reasonable efforts to inform Client in advance before interrupting the Client's access to the Hosted Items for Emergency Maintenance, but such notice is not guaranteed and failure to provide such notice shall not be considered a breach of the Agreement.

VI. Remedy for Failure to Satisfy Service Level Target. If the Service Level Target is not met in a given month, Client must provide written notice to Ontario Systems regarding the failure within thirty (30) days of the end of the month. In the event that the Service Level Target is not met for three (3) consecutive months, Client shall have the option to terminate the Agreement upon written notice to Ontario Systems. Client has the responsibility to notify Ontario Systems within thirty (30) days after the end of the third consecutive month in which the Service Level Target was not satisfied if Client wishes to terminate this Agreement. No remedy will be available to Client to the extent any failure to meet the Service Level Target is attributable to Force Majeure Events, Client's failure to comply with any of its obligations under the Agreement, Ontario

SCHEDULE B
HOSTING ATTACHMENT
Ontario Systems, LLC
For Fiscal Years 2017-2018 Through 2019-2020

Systems exercising any remedy available to it under the Agreement, the acts or omissions of Client or any third party that is not authorized by Ontario Systems to perform any services related to the Hosted Items.

VII. Sole Remedy. The remedy outlined in this Appendix shall be Client's sole and exclusive remedy with respect to any failure by Ontario Systems to meet the Service Level Target.

VIII. Precedence. In the event of any conflict between this Appendix and the remaining provisions of the Agreement as it relates to a failure to meet the Service Level Target, this Appendix shall prevail. In all other cases, the Agreement shall prevail.

SCHEDULE B
HOSTING ATTACHMENT
Ontario Systems, LLC
For Fiscal Years 2017-2018 Through 2019-2020

Appendix B: Ontario Cloud Acceptable Use Policy

Each of Ontario Systems' client's use of any or all of the Ontario Cloud offerings, associated telecommunication services and associated hosting environments ("Cloud Offerings") is governed by and subject to this Acceptable Use Policy ("AUP"). You, as a client of Ontario Systems ("Client"), acknowledge that this Ontario Systems may modify this AUP, from time to time, in order to define further permitted or prohibited uses that result from changes in law, changes in Ontario Systems' hosting providers' acceptable use policies, telecommunication carrier restrictions, or discovery of uses that pose a security risk or risk of performance degradation. Ontario Systems shall make any modification to the AUP electronically available to Client upon Client accessing any of the Cloud Offerings after the modifications are made.

1) Prohibited Use of the Cloud Offerings. This Section describes prohibited uses of the Cloud Offerings. Client shall not itself or allow anyone else to:

- a) Attempt to or actually forge authentication credentials, use the authentication credentials of another user, or damage, bypass, break, or otherwise circumvent any security mechanism of the Cloud Offerings, or use the Cloud Offerings in any other manner that poses a security risk to Ontario Systems, the hosting providers, the telecommunication carriers, or the users of the Cloud Offerings.
- b) Provide, disseminate, or post Client's Cloud Offerings authorization credentials to any other party.
- c) Use the Cloud Offerings to attempt to breach, circumvent, or hack a third party.
- d) Transmit to or through the Cloud Offerings any material that contains viruses, Trojan horses, worms, or any other malicious, harmful, or deleterious programs.
- e) Reverse-engineer the Cloud Offerings in order to find limitations, vulnerabilities, or to evade, disable, or render inaccurate accounting, billing, capacity limits, or other functions of the Cloud Offerings.
- f) Probe, scan, or test the vulnerability of the Cloud Offerings or monitor data or traffic on the Cloud Offerings without express written permission from Ontario Systems.
- g) Launch or facilitate a denial of service attack on the Cloud Offerings, any user of the Cloud Offerings, the hosting providers, or telecommunication carriers.
- h) Interfere with, disrupt, or otherwise create an undue burden on the access of any user of the Cloud Offerings or on the performance of the Cloud Offerings by sending a virus, overloading, flooding, spamming, mail-bombing the Cloud Offerings or by other means or perform other conduct that adversely impacts the availability, reliability, or stability of the Cloud Offerings.
- i) Use the Cloud Offerings to encourage, to facilitate, to engage in or otherwise in connection with (1) fraudulent activity, (2) the dissemination of any fraudulent goods, services, schemes, or promotions, or (3) other deceptive practices.
- j) Violate or facilitate the violation of any local, state, federal, or foreign law or regulation applicable to Client's business, the recording of telephone calls, proper use of the public telephony, network the collection of debt, or the transmission or handling of data.
- k) Violate the Truth in Caller ID Act or (1) create a false identity, phone number or Caller ID value, (2) forge any TCP/IP packet header or any part of the header information in any IP telephone call, (3) attempt to mislead others as to the identity of the sender or the origin of a message or phone call, or (4) otherwise use in any way the Cloud Offerings to send altered, deceptive or false information about the source of the originating network or IP telephony traffic.
- l) Distribute, publish, send, or facilitate the sending of any unsolicited marketing, promotions, advertising, solicitations (like "spam"), or informational messages no matter how they are delivered (i.e., phone calls, SMS, text messages, voice mails, or faxes) that violate anti-spam laws and regulations including the CAN SPAM Act of 2003, the Telephone Consumer Protection Act, and the Do-Not-Call Implementation Act, applicable guidelines published by the CTIA, the Mobile Marketing Association, or any other accepted industry associations, carrier guidelines or any similar or analogous industry standards, third party policies or requirements in any other jurisdiction.

SCHEDULE B
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Ontario Systems, LLC
For Fiscal Years 2017-2018 Through 2019-2020

- m) Use the Cloud Offerings to perform rate arbitrage for the purpose of bypassing or evading telecommunication charges or similar third party charges.
 - n) Use the Cloud Offerings to make available gambling sites or services or disseminating, promoting, or facilitating child pornography.
 - o) Use the Cloud Offerings to connect with emergency service personnel or public safety answering points such as 911 or E911 service.
 - p) Use the Cloud Offerings to transmit or make available any material that infringes, misappropriates, or otherwise violates the intellectual property rights of others.
 - q) Engage in activities or transmit through the Cloud Offerings information that is: (1) abusive, (2) harassing, (3) libelous, (4) defamatory, (5) discriminatory based on race, sex, religion, nationality, disability, sexual orientation, or age, or (6) otherwise malicious or harmful to any person or entity.
 - r) Embed protected health information or personally identifiable information as part of any argument or URL provided to contact management solutions offered through the Cloud Offerings, with the sole exception of session arguments.
- 2) **Right to Monitor and Enforce.** Ontario Systems has the right to report users to proper law enforcement officials in the event of illegal activity and will fully cooperate with any criminal investigation into a user's violation. Ontario Systems reserves the right, but does not assume the obligation, to investigate any violation of this AUP or misuse of services. Ontario Systems may remove, disable access to, or modify any content resource that violates this AUP. Ontario Systems' failure to enforce provisions of this AUP will not be construed as a waiver of any right to do so at any time.
- 3) **Reporting Violations.** If Client or any of its users becomes aware of a violation of this AUP, Client shall promptly notify Ontario Systems and provide Ontario Systems with reasonably requested assistance to stop or remedy the violation.
- 4) **Remedy.** In the event Client violates this AUP, Ontario Systems may immediately suspend Client's use of any or all of the Cloud Offerings until the violation is cured. In addition, Ontario Systems may exercise any other remedy available to Ontario Systems under law and under the agreement between Client and Ontario Systems.

Certificate Of Completion

Envelope Id: E600A351032148189154A80291731467	Status: Completed
Subject: Humboldt - RevQ Agreement	
Source Envelope:	
Document Pages: 25	Signatures: 2
Supplemental Document Pages: 0	Initials: 0
Certificate Pages: 2	
AutoNav: Enabled	Payments: 0
EnvelopeId Stamping: Enabled	Envelope Originator:
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	Joshua Schreiner
	4400 NE 77th Ave, Ste 100
	Vancouver, WA 98662
	joshua.schreiner@columbiaultimate.com
	IP Address: 207.173.82.148

Record Tracking

Status: Original	Holder: Joshua Schreiner	Location: DocuSign
8/17/2017 10:45:54 AM	joshua.schreiner@columbiaultimate.com	

Signer Events

Signature	Timestamp
Alex Forman	Sent: 8/17/2017 10:54:09 AM
Alexander.forman@ontariosystems.com	Viewed: 8/18/2017 10:35:20 AM
VP and General Counsel	Signed: 8/18/2017 10:35:54 AM
Ontario Systems, LLC	
Security Level: Email, Account Authentication (None)	Using IP Address: 192.112.251.48
Electronic Record and Signature Disclosure: Not Offered via DocuSign	

In Person Signer Events

Editor Delivery Events

Agent Delivery Events

Intermediary Delivery Events

Certified Delivery Events

Carbon Copy Events

Status	Timestamp
John Bartholomew	Sent: 8/18/2017 10:35:58 AM
jbartholomew@co.humboldt.ca.us	Viewed: 8/18/2017 10:39:19 AM
Treasurer-Tax Collector	
Security Level: Email, Account Authentication (None)	
Electronic Record and Signature Disclosure: Not Offered via DocuSign	

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Heather Scukanec	Sent: 8/18/2017 10:35:58 AM
Heather.scukanec@ontariosystems.com	
Sales Support Specialist	
Ontario Systems	
Security Level: Email, Account Authentication (None)	
Electronic Record and Signature Disclosure: Not Offered via DocuSign	

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Notary Events

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	8/18/2017 10:35:58 AM
Certified Delivered	Security Checked	8/18/2017 10:35:58 AM
Signing Complete	Security Checked	8/18/2017 10:35:58 AM
Completed	Security Checked	8/18/2017 10:35:58 AM

Payment Events	Status	Timestamps
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