

**FIRST AMENDMENT
SOFTWARE LICENSE AND SUPPORT SERVICES AGREEMENT
BY AND BETWEEN
COUNTY OF HUMBOLDT
AND
SHERPA GOVERNMENT SOLUTIONS LLC
FOR FISCAL YEARS 2018-2019 THROUGH 2027-2028**

This First Amendment to the Agreement dated June 12, 2018, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Sherpa Government Solutions LLC, a California limited liability company, hereinafter referred to as "CONTRACTOR," is entered into this ____ day of _____, 2023.

WHEREAS, COUNTY, by and through its County Administrative Office – Management and Budget Team, desired to retain a qualified professional organization to install, implement, host, support and maintain a Budget Formulation, Management and Reporting Software system and provide training and support services related to the use and operation thereof; and

WHEREAS, on June 12, 2018, COUNTY and CONTRACTOR entered into a Software License and Support Services Agreement regarding the provision of such installation, implementation, hosting, support and maintenance services; and

WHEREAS, COUNTY and CONTRACTOR now desire to amend certain provisions of the Software License and Support Services Agreement in order to extend the term thereof, increase the maximum amount payable thereunder and modify the implementation schedule and rates of compensation set forth therein.

NOW THEREFORE, the parties mutually agree as follows:

1. Section 2 – Term of the Software License and Support Services Agreement is hereby amended to read as follows:

2. TERM:

This Agreement shall begin on July 1, 2018 and shall remain in full force and effect until June 30, 2028, unless extended by a valid amendment hereto or sooner terminated as set forth herein.

2. Section 4 – Compensation of the Software License and Support Services Agreement is hereby amended to read as follows:

4. COMPENSATION:

- A. Maximum Amount Payable. The maximum amount payable by COUNTY for any and all licenses and services provided, and costs and expenses incurred, pursuant to the terms and conditions of this Agreement is Eight Hundred Sixty-Seven Thousand One Hundred Seventy-Seven Dollars and Twenty-Six Cents (\$867,177.26). In no event shall the maximum amount paid under this Agreement exceed Seventy-Seven Thousand Seventy-One Dollars and Sixty-Seven Cents (\$77,071.67) for fiscal year 2018-2019, Sixty-Eight Thousand Four Hundred Seventy-Six Dollars and Sixty-Seven Cents (\$68,476.67) for fiscal year 2019-2020, Two Hundred Twenty-Three Thousand Five Hundred Eighty-Five Dollars and Four Cents (\$223,585.04) for fiscal year 2023-2024, One Hundred Twelve

Thousand Seventy-Three Dollars and Forty-Nine Cents (\$112,173.49) for fiscal year 2024-2025, One Hundred Twenty Thousand Twenty-Five Dollars and Sixty-Three Cents (\$120,025.63) for fiscal year 2025-2026, One Hundred Twenty-Eight Thousand Four Hundred Twenty-Seven Dollars and Forty-Two Cents (\$128,427.42) for fiscal year 2026-2027 and One Hundred Thirty-Seven Thousand Four Hundred Seventeen Dollars and Thirty-Four Cents (\$137,417.34) for fiscal year 2027-2028. CONTRACTOR hereby agrees to provide all licenses and services required hereunder for an amount not to exceed such maximum dollar amount. However, if local, state or federal funding or allowance rates are reduced or eliminated, COUNTY may, by amendment, reduce the maximum amount payable hereunder or terminate this Agreement as set forth herein.

- B. Schedule of Rates. The specific rates and costs applicable to this Agreement are set forth in Exhibit B – Schedule of Rates, which is attached hereto and incorporated herein by reference as if set forth in full.
- C. Additional Services. Any additional services not otherwise set forth herein shall not be provided by CONTRACTOR, or compensated by COUNTY, without COUNTY's prior written authorization. Any and all unauthorized costs and expenses incurred above the maximum payable amount set forth herein shall be the responsibility of CONTRACTOR. CONTRACTOR shall notify COUNTY, in writing, at least six (6) weeks prior to the date upon which CONTRACTOR estimates that the maximum payable amount will be reached.
- D. Taxes. COUNTY shall be responsible for the payment of any and all taxes, excluding income taxes assessed against CONTRACTOR, arising hereunder.

- 3. Section 5 – Payment of the Software License and Support Services Agreement is hereby amended to read as follows:

5. PAYMENT:

- A. Invoices. CONTRACTOR shall submit to COUNTY invoices substantiating the costs and expenses incurred pursuant to the terms and conditions of this Agreement in accordance with the billing schedule outlined in Exhibit B – Schedule of Rates. CONTRACTOR shall submit a final invoice for payment within thirty (30) days following the expiration or termination of this Agreement. Invoices shall be prepared using a format that is substantially similar to Exhibit C – Sample Invoice Form, which is attached hereto and incorporated herein by reference as if set forth in full. Payment for any and all costs and expenses incurred, pursuant to the terms and conditions of this Agreement shall be made within thirty (30) days after the receipt of approved invoices. Any and all invoices submitted pursuant to the terms and conditions of this Agreement shall be sent to COUNTY at the following address:

COUNTY: County Administrative Office – Management and Budget Team
Attention: Jessica Maciel, Deputy County Administrative Officer
825 Fifth Street, Room 112
Eureka, California 95501

- B. Late Payments. Any invoices not paid when due shall accrue interest at the rate of eighteen percent (18%), or the maximum amount allowed by law, per annum.

4. Section 6 – Notices of the Software License and Support Services Agreement is hereby amended to read as follows:

6. NOTICES:

Any and all notices required to be given pursuant to the terms and conditions of this Agreement shall be in writing and either served personally or set by certified mail, return receipt requested, to the respective addresses set forth below. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

COUNTY: County Administrative Office – Management and Budget Team
Attention: Jessica Maciel, Deputy County Administrative Officer
825 Fifth Street, Room 112
Eureka, California 95501

CONTRACTOR: Sherpa Government Solutions LLC
Attention: Dawn Rippentrop, COO
2990 Osceola Street
Denver, Colorado 80212

5. Section 17 – Compliance with Applicable Laws and Licensure Requirements of the Software License and Support Services Agreement is hereby amended to read as follows:

17. COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND STANDARDS:

- A. General Legal Requirements. CONTRACTOR hereby agrees to comply with any and all local, state and federal laws, regulations, policies, procedures and standards applicable to the services provided pursuant to the terms and conditions of this Agreement.
- B. Licensure Requirements. CONTRACTOR hereby agrees to comply with any and all local, state and federal licensure, certification and accreditation standards applicable to the services provided pursuant to the terms and conditions of this Agreement, including, without limitation, the business licensure requirements set forth in Section 811-6(b) of the Humboldt County Code.
- C. Accessibility Requirements. CONTRACTOR hereby agrees to comply with any and all applicable accessibility requirements set forth in the Americans with Disabilities Act, Section 508 of the Rehabilitation Act of 1973, as amended, and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, the federal accessibility standards set forth in 36 C.F.R. Section 1194.1, all as may be amended from time to time.
- D. Conflict of Interest Requirements. CONTRACTOR hereby agrees to comply with any and all applicable conflict of interest requirements set forth in the California Political Reform Act and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, COUNTY's Conflict of Interest Code, all as may be amended from time to time.

6. Section 29 – Advertising and Media Release of the Software License and Support Services Agreement is hereby amended to read as follows:

29. ADVERTISING AND MEDIA RELEASE:

Any and all informational material related to this Agreement shall receive approval from COUNTY prior to being used as advertising or released to the media, including, without limitation, television, radio, newspapers and internet. CONTRACTOR shall inform COUNTY of any and all requests for interviews by the media related to this Agreement before such interviews take place. COUNTY shall be entitled to have a representative present at any and all interviews related to the services provided pursuant to the terms and conditions of this Agreement. Any and all notices required by this provision shall be given to the County Administrative Officer in accordance with the notice requirements set forth herein.

7. Section 38 – Counterpart Execution of the Software License and Support Services Agreement is hereby amended to read as follows:

38. COUNTERPART EXECUTION:

This Agreement, and any amendments hereto, may be executed in one (1) or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. This Agreement, and any amendments hereto, may be signed by manual or electronic signatures in accordance with any and all applicable local, state and federal laws, regulations and standards, and such signatures shall constitute original signatures for all purposes. A signed copy of this Agreement, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement and any amendments hereto.

8. The Software License and Support Services Agreement is hereby amended to delete Exhibit A – Scope of Licenses and Services (“Exhibit A”) and replace it in its entirety with the modified version of Exhibit A that is attached hereto and incorporated herein by reference as if set forth in full. The modified version of Exhibit A attached hereto shall supersede any and all prior versions thereof as of the effective date of this First Amendment.
9. The Software License and Support Services Agreement is hereby amended to delete Exhibit B – Schedule of Rates (“Exhibit B”) and replace it in its entirety with the modified version of Exhibit B that is attached hereto and incorporated herein by reference as if set forth in full. The modified version of Exhibit B attached hereto shall supersede any and all prior versions thereof as of the effective date of this First Amendment.
10. The Software License and Support Services Agreement is hereby amended to include Exhibit C – Sample Invoice Form which is attached hereto and incorporated herein by reference as if set forth in full.
11. Except as modified herein, the Software License and Support Services Agreement dated June 12, 2018 shall remain in full force and effect. In the event of a conflict between the provisions of this First Amendment and the original Software License and Support Services Agreement, the provisions of this First Amendment shall govern.

[Signatures on Following Page]

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

TWO SIGNATURES ARE REQUIRED FOR LIMITED LIABILITY COMPANIES PURSUANT TO THE CALIFORNIA CORPORATIONS CODE:

- (1) CHAIRPERSON OF THE BOARD, PRESIDENT, OR VICE PRESIDENT; AND
- (2) SECRETARY, CHIEF FINANCIAL OFFICER OR TREASURER; OR
- (3) ANY OTHER PROPERLY AUTHORIZED OFFICIAL OR EMPLOYEE.

SHERPA GOVERNMENT SOLUTIONS LLC:

By: _____
Dawn Rippentrop, COO

Date: _____

By: _____
David Farrell, CEO

Date: _____

COUNTY OF HUMBOLDT:

By: _____
Elishia Hayes
County Administrative Officer

Date: _____

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: Krista Freeman
Risk Management

Date: 5-16-2023

LIST OF EXHIBITS:

Exhibit A – Scope of Licenses and Services
Exhibit B – Schedule of Rates

EXHIBIT A
SCOPE OF LICENSES AND SERVICES
Sherpa Government Solutions LLC
Fiscal Years 2018-2019 through 2027-2028

1. LICENSED SOFTWARE:

- A. Software Licenses. CONTRACTOR shall provide licenses to all the following software pursuant to the terms and conditions of this Agreement.

Application	Purpose	Version/ Release	Proposed No. of Licenses
Budget Formulation and Management Subscription (BFM)	All core requirements including operating and capital budgeting, project/program tracking (i.e., Measure K), salary forecasting/ budgeting, performance measures, strategic planning, long-range forecasting, grants.	5.2 or greater	Site / Unlimited
Reporting	Reporting and Publishing	5.1 or greater	40 named

- B. Delivery of Licensed Software. CONTRACTOR will deliver the licensed Software by making it available for electronic download by COUNTY through CONTRACTOR's Service Marketplace (<http://serice.sap.com/swdc>). Risk of loss passes at the time of such electronic delivery. COUNTY agrees not to request any physical delivery of licensed software. If physical delivery of the license Software should occur, COUNTY shall reject any such delivery.

2. SERVICES:

- A. Implementation Services. CONTRACTOR shall provide all of the following implementation services pursuant to the terms and conditions of this Agreement:
1. Conversion of COUNTY's chart of accounts and any number of years of historical data.
 2. Conversion of performance measures and strategic planning data, including, without limitation, goals and other related data.
 3. Conversion of Human Resources data to support the Software's Personnel Cost Forecasting feature.
 4. Configuration of Software interfaces for required position, employee and other related data.
 5. Configuration of Software interfaces for modified budgets, actuals and other related financial data.
 6. Configuration of interfaces from the Software to the COUNTY's financial system of adopted budgets and supplemental budgets.
 7. Publishing - Budget Book Implementation – Sherpa will install publishing software, create a recommended (if desired) and final budget books and train the COUNTY on use of the publishing software. Sherpa will create the queries needed to populate the budget books

with data residing in BFM the COUNTY will provide other data needed for the budget books in either Excel or PDF format. In addition, Sherpa will support book publishing.

- C. Maintenance Services. As part of the annual software maintenance, CONTRACTOR will provide technical upgrades, Software issue resolution and annual rollover, and State Schedule support services.
- D. Service Exclusions. Unless otherwise agreed upon by the parties, custom county-specific forecasting or budget forms, including, without limitation, any forecasting or budget forms that require code changes, are not included in the services provided pursuant to the terms and conditions of this Agreement.

3. SCHEDULE:

Milestones are noted with an approximate time requirement. In most cases additional calendar time is added to the schedule to work with COUNTY's calendar. For some milestones with known dates, these are noted, but can be updated following additional project planning by the parties.

Milestone Number	Milestone Name	Milestone Description	Dates
1	Project Kickoff	If contracting is completed earlier and the County schedule permits, activities can be moved forward to allow ample time to obtain the necessary connectivity to County systems.	July 5, 2023
2	Installation of Software environment (1 Day)	Install Software application and related software on County environment or on hosted site.	July 5, 2023
3	Implementation Guide (on- going)	Highlights the major processes and how specifically a system administrator will use Software going forward; this is organized chronologically according to activities in the County budget cycle.	Ongoing
4	Initial Conversion	"Current state" data is converted as a starting point to aid in workshops. This includes chart of accounts and the required years of budget and actual data.	July 10-17, 2023
5	Gap Analysis (4 weeks)	Workshops and initial configuration are reviewed, and any gaps are identified. Review business process redesign opportunities and outline any potential executive decisions that may be required.	July 17 – August 14, 2023
6	Budget Form Configuration (4-6 weeks)	Configure forms needed to support the County budget process. Each form is configured, all required security and data is established, tested by Sherpa, reviewed/tested by the County. End user training guides are created as part of the testing process for each form. Forms may be added later in the implementation.	July 17 – September 1, 2023 / ongoing
7	Create/ complete conversions and interfaces (2-4 weeks)	Complete conversion/interface procedures and convert data into Software.	August 20 – September 20, 2023

Milestone Number	Milestone Name	Milestone Description	Dates
8	Create Reports (on-going; reports are created in order of need)	Create and unit test reports.	July 12, 2023/ Ongoing
9	Completion of training - Train the Trainer	Complete materials with assistance from County and deliver Train-the-Trainer courses. Assist with end user training.	October 16, 2023
10	End user training Mid-Year Budgets	End user training.	October 23, 2023
11	Go-Live-Mid Year Budgets	Mid-year Budgets Go-Live	November 6, 2023
12	Completion of training – Train the Trainer Budget Development	Complete materials with assistance from the County and deliver Train-the-trainer course. Assist with end user training.	December 4, 2023
13	End user training Budget Development	End user training.	December 11, 2023
14	Go-Live- Budget Development	Budget Development Go-Live	December 18, 2023
15	Create Recommended State Schedules	Make second version of schedules for Adopted/ Final budget.	June 4, 2024
16	Create Final State Schedules	Make second version of schedules for Adopted/ Final budget.	June 25, 2024
17	Publishing	• Install publishing software • Train County on use of publishing software • Create up to two budget books • Incorporate Sherpa data (Sherpa provides data queries) • Test book output • Support book publishing	June 25, 2024

4. **DELIVERABLES:**

Deliverables	Description
Data Conversion Complete	Historical budgets and actuals are converted and verified by the client; chart of account tables are all loaded and verified by the client
Personnel Cost Forecasting (PCF) Projection - Requirements Gathering Completed	All background tables are loaded and an initial projection is run to show results. Client confirms results.

Deliverables	Description
PCP Projection - testing and training completed	Projection is executed using interfaces; client is trained in how to execute interfaces and run projections.
Implementation Guide	A guide that highlights the major processes and how specifically a system administrator will use Software going forward.
Advanced Report Training	System administrator training for reporting; this is a 3 day course either delivered consecutively or over several weeks.
Train the Trainer Training	Provide system training to identified County trainers who will in turn provide training to County end users.
End User Training Guides	A guide that highlights budget processes and how specifically an end user will use Software going forward.

Deliverables	Description
Publication Support	Budget books – Recommended and Final/Adopted

5. ACCEPTANCE CRITERIA:

The County will provide acceptance after each deliverable is tested and confirmed to meet the applicable requirements.

6. PLACE OF PERFORMANCE:

CONTRACTOR will have targeted meetings and training while onsite at COUNTY facilities, which will require a conference room with seating for approximately six (6) to ten (10) people, ideally outfitted with a screen for projection and a whiteboard. CONTRACTOR will bring one (1) to three (3) staff members to such onsite meetings. CONTRACTOR can work from the conference room provided by COUNTY while onsite. If such conference is not available, up to three (3) work areas, which include desks and monitors will be required. CONTRACTOR will provide all necessary laptops, but will require connectivity to the intranet and the internet for access to COUNTY systems and email or demo systems. All other services will be performed offsite at CONTRACTOR's office locations inside the United States.

7. COUNTY RESPONSIBILITIES:

- A. System Administrator. COUNTY shall assign a functional system administrator who will be responsible for maintaining COUNTY's system prior to project initiation. The System Administrator will work alongside CONTRACTOR's staff in order to configure and verify system setup, create reports and develop training documents.
- B. Testing and User Acceptance. COUNTY shall make staff members available to assist CONTRACTOR with any and all necessary testing of the Software. At COUNTY's discretion, staff members from the Humboldt County Administrative Office may also be involved in reviewing, configuring and testing the Software.
- C. On-Going System Administration. COUNTY shall be responsible for on-going administration of the Software, including, without limitation all of the following:

1. Executing Human Resources interfaces on an annual basis (4-8 hours annually).
2. Running personnel projections and verifying data (8-16 hours annually).
3. Making any and all necessary updates to Human Resources cost drivers that are not part of interfaces, including, without limitation, salary table increases (16 hours annually).
4. Creating queries and reports, as necessary, with CONTRACTOR support, if needed.
5. Maintaining user security and workflow.
6. Maintaining chart of accounts that are not part of interfaces.
7. Executing interfaces and verifying results, as necessary.
8. Providing support to departmental users.
9. Providing annual training refreshers to end users and new users as part of distributing budget instruction

EXHIBIT B
SCHEDULE OF RATES
Sherpa Government Solutions LLC
Fiscal Years 2018-2019 through 2027-2028

CONTRACTOR will be compensated based on implementation services per the deliverables noted in this Exhibit, as well as an annual software subscription to BFM, Sherpa Reporting and Sherpa Publishing software.

1. **RATE OF COMPENSATION:**

- A. **Implementation Services.** COUNTY will compensate CONTRACTOR for the implementation services provided pursuant to the terms and conditions of this Agreement at the following rates:

Services / Implementation	Estimated Date	Amount
Milestone 1: Project Kickoff (10% of original implementation services)	July 2, 2018	\$8,595.00
Milestone 1.5: Project Re-Kickoff (10% of implementation services)	July 5, 2023	\$11,875.00
Milestone 2 – 14: Go Live (Budget Development)	December 18, 2023	\$63,387.50
Milestone 15-16: State Schedules (Final)	June 4, 2024	\$10,687.50
Milestone 17: Publications (Final)	June 25, 2024	\$32,800.00
TOTAL Implementation Services Costs		\$127,345.00

- B. **Additional Services.** COUNTY will compensate CONTRACTOR for additional off-site services that have been authorized pursuant to the terms and conditions of this Agreement at the following hourly rates:

Consulting Rates	Rate
Principal Consultant	\$255.00
Consultant	\$225.00

- C. **Software Licenses and Recurring Maintenance Services.** COUNTY will compensate CONTRACTOR for the Software licenses and recurring maintenance services provided pursuant to the terms and conditions of this Agreement, including, without limitation, the site license and forty (40) named reporting users, at the following annual rates:

Software Fee / Recurring Maintenance	Estimated Date	Amount
Software Subscription (year 1) (upon installation)	July 9, 2018	\$68,476.67
Software Subscription (year 2)	July 9, 2019	\$68,476.67
BFM Subscription & Sherpa Publishing (July 15, 2023 – July 14, 2024)	July 15, 2023	\$104,835.04
BFM Subscription & Sherpa Publishing (July 15, 2024 – July 14, 2025)	July 15, 2024	\$112,173.49
BFM Subscription & Sherpa Publishing (July 15, 2025 – July 14, 2026)	July 15, 2025	\$120,025.63
BFM Subscription & Sherpa Publishing (July 15, 2026 – July 14, 2027)	July 15, 2026	\$128,427.42
BFM Subscription & Sherpa Publishing (July 15, 2027 – July 14, 2028)	July 15, 2027	\$137,417.34

2. EXPENSES:

Sherpa software and services are delivered via virtual meetings for workshops, training, and process reviews. If in-person meetings are requested, then the trips are to be reimbursed by COUNTY per the COUNTY's travel expense reimbursement policy.