CITY of CLOVIS

AGENDA • CITY COUNCIL MEETING

Council Chamber, 1033 Fifth Street, Clovis, CA 93612 (559) 324-2060
www.cityofclovis.com

February 13, 2023	6:00 PM	Council Chamber

In compliance with the Americans with Disabilities Act, if you need special assistance to access the City Council Chamber to participate at this meeting, please contact the City Clerk or General Services Director at (559) 324-2060 (TTY – 711). Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the Council Chamber.

The Clovis City Council meetings are open to the public at the physical address listed above. There are numerous ways to participate in the City Council meetings: you are able to attend in person; you may submit written comments as described below; you may participate by calling in by phone (see "Verbal Comments" below); and you may view the meeting which is webcast and accessed at www.cityofclovis.com/agendas.

Written Comments

- Members of the public are encouraged to submit written comments at: www.cityofclovis.com/agendas at least two (2) hours before the meeting (4:00 p.m.). You will be prompted to provide:

  - Council Meeting Date
  - Item Number
  - Name
  - Email
  - Comment

- Please submit a separate form for each item you are commenting on.

- A copy of your written comment will be provided to the City Council noting the item number. If you wish to make a verbal comment, please see instructions below.

- Please be aware that any written comments received that do not specify a particular agenda item will be marked for the general public comment portion of the agenda.

- If a written comment is received after 4:00 p.m. on the day of the meeting, efforts will be made to provide the comment to the City Council during the meeting. However, staff cannot guarantee that written comments received after 4:00 p.m. will be provided to City Council during the meeting. All written comments received prior to the end of the meeting will be made part of the record of proceedings.

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<u>**Verbal Comments**</u>

- If you wish to speak to the Council on an item by telephone, you should contact the City Clerk at (559) 324-2060 no later than 4:00 p.m. the day of the meeting.

- You will be asked to provide your name, phone number, and your email. You will be emailed instructions to log into Webex to participate in the meeting. Staff recommends participants log into the Webex at 5:30 p.m. the day of the meeting to perform an audio and mic check.

- All callers will be placed on mute, and at the appropriate time for your comment your microphone will be unmuted.

- In order for everyone to be heard, please limit your comments to 5 minutes or less, or 10 minutes per topic

<u>**Webex Participation**</u>

- Reasonable efforts will be made to allow written and verbal comment from a participant communicating with the host of the virtual meeting. To do so, a participant will need to chat with the host and request to make a written or verbal comment. The host will make reasonable efforts to make written and verbal comments available to the City Council. Due to the new untested format of these meetings, the City cannot guarantee that these written and verbal comments initiated via chat will occur. Participants wanting to make a verbal comment via call will need to ensure that they accessed the WebEx meeting with audio and microphone transmission capabilities.

CALL TO ORDER

FLAG SALUTE - Councilmember Mouanoutoua

ROLL CALL

PUBLIC COMMENTS - This is an opportunity for the members of the public to address the City Council on any matter within the City Council's jurisdiction that is not listed on the Agenda. In order for everyone to be heard, please limit your comments to 5 minutes or less, or 10 minutes per topic. Anyone wishing to be placed on the Agenda for a specific topic should contact the City Manager's office and submit correspondence at least 10 days before the desired date of appearance.

ORDINANCES AND RESOLUTIONS - With respect to the approval of resolutions and ordinances, the reading of the title shall be deemed a motion to waive a reading of the complete resolution or ordinance and unless there is a request by a Councilmember that the resolution or ordinance be read in full, further reading of the resolution or ordinance shall be deemed waived by unanimous consent of the Council.

CONSENT CALENDAR - Items considered routine in nature are to be placed upon the Consent Calendar. They will all be considered and voted upon in one vote as one item unless a Councilmember requests individual consideration. A Councilmember's vote in favor of the Consent Calendar is considered and recorded as a separate affirmative vote in favor of each action listed. Motions in favor of adoption of the Consent Calendar are deemed to include a motion to waive the reading of any ordinance or resolution on the Consent Calendar. For adoption of

ordinances, only those that have received a unanimous vote upon introduction are considered Consent items.

    1.   Administration - Approval - Minutes from the February 6, 2023, Council Meeting.

    2.   Administration - Receive and File – Business Organization of Old Town (BOOT) Second Quarter Report, October through December 2022.

ADMINISTRATIVE ITEMS - Administrative Items are matters on the regular City Council Agenda other than Public Hearings.

    3.   Consider Approval – Selection of SpryPoint Services, Inc., to Provide Utility Billing Software and Services with an Implementation Cost of $599,900, and Annual Costs of Approximately $170,500.

        Staff: Jeffrey Blanks, Deputy Finance Director
        Recommendation: Approve

    4.   Consider Approval – Bid Award for CIP 21-07 Fire Station 2 Rebuild; and Authorize the City Manager to Execute the Contract on behalf of the City with Fortune Ratliff General Contractors in the amount of $7,566,341.00.

        Staff: Thad Avery, Supervising Civil Engineer
        Recommendation: Approve

    5.   Receive and File – Police Department Update.

        Staff: Curt Fleming, Police Chief
        Recommendation: Receive and File

COUNCIL ITEMS

    6.   Consider – Update on Historic Preservation Committee and Seek Policy Direction Moving Forward.

        Staff: John Holt, City Manager
        Recommendation: Consider Update and Provide Policy Direction

CITY MANAGER COMMENTS

COUNCIL COMMENTS

CLOSED SESSION - A "closed door" (not public) City Council meeting, allowed by State law, for consideration of pending legal matters and certain matters related to personnel and real estate transactions.

    7.   Government Code Section 54956.9(d)(2)
        CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
        Significant Exposure to Litigation
        Three potential cases based on claims received for the Sunnyside Avenue water main break and property flooding incident on January 3, 2022.

ADJOURNMENT

FUTURE MEETINGS

Regular City Council Meetings are held at 6:00 P.M. in the Council Chamber. The following are future meeting dates:

Feb. 21, 2023 (Tue.)
Mar. 6, 2023 (Mon.)
Mar. 13, 2023 (Mon.)
Mar. 20, 2023 (Mon.) (Joint Meeting with Planning Commission)

JOINT MEETING OF THE CLOVIS CITY COUNCIL AND PLANNING COMMISSION MEETING

February 6, 2023   **6:01 P.M.**   **Council Chamber**

Meeting called to order by Mayor Ashbeck
Flag Salute led by Councilmember Bessinger

Roll Call: Present: Councilmembers Basgall, Bessinger, Mouanoutoua, Pearce, Mayor Ashbeck

Commissioner Antuna, Bedsted, Hatcher, Hinkle, Chair Cunningham

PUBLIC COMMENTS – 6:10

Steven Trevino, resident, requested for the Council to consider raising a monument in recognition of Elvy Perkins.

Michelle Lang, resident, shared concerns regarding a fire lane and gate adjacent to her property, and requested for the Council to place an item on the agenda to further discuss.

CONSENT CALENDAR – 6:25

Motion by Councilmember Bessinger, seconded by Councilmember Mouanoutoua, that the items on the Consent Calendar be approved. Motion carried by unanimous vote.

1.   Administration - Approved - Minutes from the January 17, 2023, Council Meeting.
2.   Administration - Approved – 2023 Miscellaneous Street Closure Requests.
3.   Administration - Approved – **Res. 23-04**, Approving an application to the California State Department of Housing and Community Development for $5 million dollars in funding under the CalHome Program; and Authorizing the City Manager, or designee, to sign the application, execute the Standard Agreement, any Amendments, and any related documents thereto, if selected for funding, as may be necessary to participate in the CalHome Program as identified in the 2022 Homeownership Super NOFA (HOSN) dated January 6, 2023.
4.   Administration - Received and Filed – Economic Development Corporation Serving Fresno County Quarterly Report, October - December 2022.
5.   Finance – Received and Filed – Investment Report for the Month of September 2022.
6.   Finance – Received and Filed – Treasurer's Report for the Month of September 2022.
7.   Finance – Received and Filed – Status Report of Development Fee Funds for the fiscal year ended June 30, 2022.
8.   General Services – Approved – **Res. 23-05**, Amending the City's Classification and Compensation Plans by Revising the Sanitation Operator Classification with a Salary Range of $4,692 to $5,704 per month and Revising the Senior Sanitation Operator Classification.
9.   Planning and Development Services – Approved – Final Acceptance for CIP 18-15, Villa Avenue Reconstruction, Barstow Avenue to Shaw Avenue.

10. Planning and Development Services – Approved – Final Acceptance for CIP 19-08, Traffic Signal Pedestrian Modifications.
11. Planning and Development Services – Approved – Bid Award for CIP 22-06 Test Hole at Reservoir T-10 Site; and Authorize the City Manager to execute the contract on behalf of the City with Strickland Enterprises, Inc. (doing business as Strickland Drilling) in the amount of $178,023.21.
12. Planning and Development Services – Approved – Final Acceptance for CIP 21-03, Villa Avenue Street Improvements.

ADJOURN TO THE JOINT MEETING WITH THE CLOVIS PLANNING COMMISSION – 6:26

6:26 – ITEM 13 - RECEIVED AND FILED – PLANNING AND DEVELOPMENT SERVICES DEPARTMENT OVERVIEW

6:45 – ITEM 14 - CONSIDERED – DISCUSS AND PROVIDE FEEDBACK ON COMMUNITY PRIORITIES AS THEY RELATE TO THE CLOVIS GENERAL PLAN AND THE POTENTIAL INITIATION OF A GENERAL PLAN UPDATE.

The City Council and Planning Commission provided their feedback on what they believe are community assets in Clovis, challenges Clovis is facing, and their vision for the future Clovis.

Jeff Harris, Wilson Homes Representative, spoke in support of updating the General Plan.

Michelle Lang, resident, spoke in support of updating the General Plan and emphasized the value of retaining the youth in Clovis.

Julie C., resident, spoke in support of updating the General Plan and asked that the Council include all stakeholders who may not already be a part of an organized group.

Darius Assemi, Granville Homes Representative, spoke in support of updating the General Plan and asked that the Council consider changing trends in the future and be creative with solutions.

COUNCIL / COMMISSION COMMENTS – 9:04

ADJOURN TO THE CLOVIS CITY COUNCIL MEETING AND A RECESS – 9:04
Mayor Ashbeck called the meeting to order at 9:11
   Present: Councilmembers Basgall, Bessinger, and Mayor Ashbeck
   Absent: Councilmembers Mouanoutoua and Pearce

CITY MANAGER COMMENTS – 9:11

COUNCIL COMMENTS – 9:11
Councilmembers Mouanoutoua and Pearce arrived at 9:13.

CLOSED SESSION – 9:23 p.m.

ITEM 15 - <u>GOVERNMENT CODE SECTION 54956.9(D)(2) CONFERENCE WITH LEGAL COUNSEL</u> - ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION THREE POTENTIAL CASES BASED ON CLAIMS RECEIVED FOR THE SUNNYSIDE AVENUE WATER MAIN BREAK AND PROPERTY FLOODING INCIDENT ON JANUARY 3, 2022.

No action was taken by the City Council during the closed session.

Mayor Ashbeck adjourned the meeting of the Council to February 13, 2023

<div align="center">Meeting adjourned: 10:25 p.m.</div>

_____   _____
               Mayor   City Clerk

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: February 13, 2023

SUBJECT: Administration - Receive and File – Business Organization of Old Town (BOOT) Second Quarter Report, October through December 2022.

ATTACHMENTS: 1. Business Organization of Old Town (BOOT) Second Quarter Report, October through December 2022.

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
That the City Council receive and file the B.O.O.T Second Quarter Report, October through December 2022.

EXECUTIVE SUMMARY
According to the 2022–2023 agreement between the City of Clovis and the Business Organization of Old Town, BOOT is to submit quarterly reports to the City Manager and City Council. The amount to be funded is $15,000.

BACKGROUND
According to the 2022-2023 agreement between the City of Clovis and the Business Organization of Old Town, BOOT is to submit quarterly reports to the City Manager and City Council detailing progress of BOOT's promotional and marketing activity. Attached, as Attachment 1 is the Second Quarter Report covering October through December 2022 activities. The amount to be funded is $15,000.

FISCAL IMPACT
The amount to be funded is $15,000, which is called out in the 2022-2023 Budget.

REASON FOR RECOMMENDATION
The attached report meets the requirement established in the 2022-2023 agreement between the City of Clovis and the Business Organization of Old Town.

ACTIONS FOLLOWING APPROVAL
Staff will process payment to BOOT

Prepared by: Shawn Miller, Business Development Manager

Reviewed by: City Manager *AH*

Boot Quarterly Report: Quarter 2 October 1 – December 31, 2022

In accordance with the Agreement between City of Clovis/community & Economic Development Department and the Business Organization of Old Town Clovis for the fiscal year 2022-2023, the following items have been accomplished to date.

Goal #1:

Maintain a viable organization with membership reflective of the diversity of Old Town Clovis.

Objective:

- To maintain current level of membership and seek new members each year.

- To unite the merchants of Old Town as a group of businesses working together for the betterment of the whole downtown district.

Strategy:

- Provide information on the website about B.O.O.T., B.O.O.T. membership, benefits of membership and application forms year-round.

- Personal visits to businesses in the PBIA to recruit and retain memberships.

- Contact with businesses outside the PBIA to recruit and retain Associate Memberships, AKA "Friends of B.O.O.T."

- Allow members to pay dues in full or on a payment plan based on their finances.

- Created a membership benefit package to attract both regular and associate members as well as soliciting new members.

- Design benefits that will be exclusive to B.O.O.T. membership.

- Provide information to merchants of Old Town regarding activities conducted in and around Old Town through the BOOT social media accounts & email blasts.

- Communicate information to merchants on activities at the monthly B.O.O.T. membership meetings, our exclusive Facebook member page and through weekly E-Blasts. Post events for all organizations in Clovis on B.O.O.T. Website and ensure that if someone searches for an event, B.O.O.T.'s website is in the top results.

- Plan and post meeting notices via email for monthly B.O.O.T. membership meetings.

- Advertise frequently to promote Old Town Clovis on behalf of all merchants.

- Enhance existing programs to draw more people to Old Town Clovis.

Results:

- A membership and organization characteristic of Old Town Clovis.

- Created a member only page on Facebook in August 2021 and created a weekly member e-blasts in July 2022 to keep the merchants involved and active in our events.

- Members are sought throughout the year and new businesses are invited to join.

ATTACHMENT 1

- Members meet at American Legion on the 4th Wednesday of each month. We continue to offer zoom as an alternative to attending in person so the member can still be involved and interactive during the meeting.

- Board of Directors meet monthly at Noon, on the 3rd Wednesday of each month to discuss issues pertinent to the organization, i.e. past and future events, review finances and other pertinent information to the organization.

- Board members represent our diverse merchant groups: office professional, property owners, restaurants, bars, antique, gift, and specialty stores. The 2023 Board of Directors is as follows:

  > *Cora Shipley, Director at Large (through 2024)
  >
  > * Mark Smith, Director at Large (through 2023)
  >
  > * Bradley Warner, Director at Large (through 2023)
  >
  > * Dave Shivers, Director at Large (through 2024)
  >
  > * Julie Glenn, Director at Large (through 2023)
  >
  > * Jennifer Green, Director at Large (through 2024)
  >
  > * Ronnie Silva, Director a Large (through 2024)

  * The Marketing/Events Committee continue to improve existing events, create new events and activities specifically designed to bring customers directly into the businesses.

Goal #2

Maintain Old Town Clovis' promotional activities

<u>Objective</u>:

- Successfully manage, promote, and operate events in Old Town Clovis, as well as create new events on an ongoing basis that attract visitors to Old Town Clovis. Our Friday Night Farmer's Market started 4/29/2022 and ended on 10/28/2022. We had a very busy October starting with our Vintage Market & Antique Show on October 16th. Then we had our last Friday Night Farmers Market on October 28th which included Trunk or Treat. Then we finished up the month with our Fall Wine Walk on October 29th. We also had our annual One Enchanted Evening on November 17th. We continued to have the Horse Drawn Carriage Rides every Friday in December (last one on December 16th) and every weekend in December (until Sunday December 18th). We are continuing to hold our weekly Saturday morning Farmer's Market with success and growth. We brought back the co-op advertising program to our members for the 4th Quarter. We also had a heavy holiday advertising budget promoting our theme, shop and stay local campaign. Our theme was "The Cheer is Here in Old Town Clovis". The owner of the horse drawn carriage rides said that it was the busiest that they have ever been in the 18 years of doing the horse carriage rides in Old Town. We terminated the Old Town Clovis Gift Card but replaced the program with Old Town Clovis Bucks'. It has been a huge hit with the B.O.O.T. members, participants, and recipients of the bucks.

- To provide a quality event giving people a reason to visit the downtown district.

- To develop marketing strategies to keep Old Town competitive with malls and other shopping areas.

- To attract customers and visitors, both old and new to the downtown district.

- To present Old Town Clovis as an attractive, appealing, friendly and inviting business community.

  Strategy:

- Develop, operate, promote, maintain, and pay for events that bring people to Old Town Clovis.

- Establish and maintain events that highlight Old Town Clovis locally, nationally, and internationally.

- Meet all requirements set by City, State and other agencies for activities, events, and attractions.

- Develop new events and activities to help bring visitors to Old Town Clovis while maintaining a safe and inviting atmosphere.

- Create and pay for multi-media advertising campaigns for general advertising such as generic "Shop Local in Old Town Clovis."

- Continue to evolve events so they continue to attract new people.

  Results

  - This quarters events included the Year-Round Saturday Morning Farmers Market, Friday Night Farmers Market, Vintage Market & Antique Show, the Fall Wine Walk and One Enchanted Evening along with the Horse Drawn Carriage Rides and Old Town Clovis Bucks.

- **Goal #3**

  Maintain marketing strategies, including safety and appearance and advertising techniques to position the Image of Clovis through Old Town Clovis' unique character.

  Objective:

- Create a broad awareness of Old Town Clovis.

- Establish Old Town Clovis as an immediate, intermediate and end destination.

- Retain the established customer base.

- Reach out to Central California so that more people become aware of what Clovis offers.

- Work with City Officials to maintain a safe, crime free area where people feel safe and like bringing their families to Old Town Clovis.

  Strategy:

- Secure multi-media advertising campaigns to promote Old Town Clovis along with event generated promotions

- Submit calendar of events to community and online calendars

- Use Website, Instagram, Pinterest, Facebook to promote Old Town Clovis in general, as well as merchant businesses and specific events.

- Ongoing outreach to businesses outside of the PBIA to relocate to Old Town Clovis.

- Work with City of Clovis Police Department to create a safe atmosphere in Old Town Clovis.

- Work with City of Clovis staff to create a clean, well-maintained streetscape in Old Town Clovis.

Results:

- We continue to work with traditional TV opportunities with "stories" that were carried by local TV and Radio social media and Print. We partnered up with 105.5 The Legend along with 4 other B.O.O.T. merchants and produced a TV ad that is still currently running on KSEE 24.

- Facilitated wide exposure for Old Town Clovis, it's events, character, and appeal

- The Clovis Appliance/General Electric Skycam with ABC/30 Action News reaches approximately 684,700 people every week and approximately 400,000 monthly unique visitors online at abc30.com. Old Town Clovis is mentioned a minimum of 3 to 4 times per day on the news program during weather reports.

- Stimulated customer and visitor traffic in Old Town Clovis, as evidence as we have seen an increased number of customers in town and attendees for all our events.

- Been promoting individual B.O.O.T. Member businesses, created event pages on Facebook & Instagram for upcoming events in Old Town, thereby giving excellent exposure since August 2021.

- Communicate information to sources essential for tourism opportunities, capturing disposable money from customers who have an option to spend it elsewhere.

- Completed a complete web-site overhaul in March 2021 with new members page, event information, and Old Town Clovis resources.

Goal #4:

Provide information on activities to the Tourism Advisory Committee

Strategy:

- Participate as an active member of the Tourism Advisory Committee -

- Supply the Clovis Visitors Center with Information regarding events, activities and leads for tour groups.

- Provide event information for visitclovis.com

- Actively promote Old Town Clovis and Member Businesses on Facebook, Instagram, Pinterest and B.O.O.T.'s website.

Results:

- Ensured Old Town Clovis is recognized as a tourism destination.

- Businesses in Old Town showcased Old Town as a friendly and inviting throughout the spring and summer months.

- B.O.O.T. works directly with the Visitors Center to be sure they have current event information, including Event Cards with all street events listed

Goal #5:

Obtain and maintain Workers Compensation, State Disability and Directors and Officers Policy as well as any other insurance coverage as required by law.

Objective:

- Qualify for Workers Compensation, State Disability coverage, General Liability, and all required Insurances.

Strategy:

- To meet all requirements of renewal; indemnify, hold harmless and defend the City of Clovis, Community and Economic Development Department, its officers, agents or employees.

- Completed and submit for renewal the State Fund Compensation Insurance Fund policy information update to Valley Regional Insurance Services, Agent Ron Petersen.

Results:

- Obtained General Liability Policy coverage period April 21, 2022 to April 21, 2023.

- State Fund Compensation Policy renewed for period April 1, 2022 to March 31, 2023.

- Directors and Officers Policy will renew for period August 4, 2022 to August 4, 2023.

- Certificates of Insurance with Endorsements provided to the City of Clovis.

Goal #6:

Annual Compliance Audit

Objective

- To successfully complete a compliance audit conducted by an independent auditor - We will be providing a quarterly P&L statement and an annual complete P&L report prepared by Krikorian & Company, 1715 N. Fine Avenue, Fresno, CA 93727.

Strategy:

- Efficiently maintain and preserve all records needed to demonstrate full compliance.

Results:

Financial Status:

- Waiting on Q4 2022 financial report that is currently being prepared by CPA Firm Krikorian & Co.

Summary:

Old Town Clovis plays a significant role in creating a favorable image for the City of Clovis. Growth within Old Town Clovis is one of the more important priorities to ensure the future and well-being of Clovis' Redevelopment Project Area. In order to continue the economic vitality of the central trading district, considerable time and effort has been invested in an effort to encourage new businesses to locate and

expand in Old Town Clovis. Old Town Clovis has seen many new businesses come into the area in the past few years and many more that are looking for space.

Updates to the PBIA:

- The Business Organization of Old Town represents many business and property owners and operators, within the central business district, who will be affected directly or indirectly by future business promotion efforts and seeks to strengthen the promotion of Old Town Clovis thereby assuring its continued influence on economic growth in both Old Town Clovis and the City as a whole.

- Garbage and recycling needs must be addressed as more people in Old Town equals more garbage and recycling. Inadequate garbage/recycling cans are having an impact on Old Town.

- There are always changes taking place in Old Town Clovis. The following details most of these changes:

    o **New Businesses within Old Town Clovis:**

    o **Business Closures within the PBIA**

- **Properties that remain vacant:**

    o 311 Pollasky Avenue – La Posada remains vacant.

    o 339 Pollasky Avenue, the former Quilters Paradise is sitting still – no activity.

Business Organization of Old Town
Balance Sheet
As of December 31, 2022

	Dec 31, 22
ASSETS	
Current Assets	
Checking/Savings	
CVCB Checking 9524	110,324.36
CVCB Gift Card Acct	1,590.86
Total Checking/Savings	111,915.22
Accounts Receivable	
Accounts Receivable	245.00
Total Accounts Receivable	245.00
Other Current Assets	
ERC Refunds Receivable	30,282.75
Total Other Current Assets	30,282.75
Total Current Assets	142,442.97
Fixed Assets	
Furniture and Equipment	6,794.62
Accumulated Depreciation	-786.00
Total Fixed Assets	6,008.62
Other Assets	
Security Deposit	500.00
Total Other Assets	500.00
TOTAL ASSETS	**148,951.59**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	6,860.39
Total Accounts Payable	6,860.39
Credit Cards	
American Express	160.00
Total Credit Cards	160.00
Other Current Liabilities	
Gift Cards Outstanding	3,285.70
Payroll Liabilities	2,950.05
Total Other Current Liabilities	6,235.75
Total Current Liabilities	13,256.14
Total Liabilities	13,256.14
Equity	
Unrestricted Net Assets	63,608.51
Net Income	72,086.94
Total Equity	135,695.45
TOTAL LIABILITIES & EQUITY	**148,951.59**

No assurance is provided on these financial statements.

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Business Organization of Old Town
Profit & Loss
October through December 2022

	Oct - Dec 22	Jan - Dec 22
Ordinary Income/Expense		
Income		
Ticket Sales	21,051.00	85,383.01
Vendor Fees	6,741.00	62,106.72
Merchant Fee	162.91	5,962.91
City of Clovis / PBIA Funding	15,000.00	75,000.00
Event Income	290.00	290.00
Farmer's Market	7,116.00	75,397.00
FM Annual Membership	0.00	16,147.00
Membership	-15.00	12,885.00
Merchandise Sales	3,061.00	3,724.00
Misc. Income	0.00	2,060.00
Sponsorships	4,025.00	51,125.00
Interest Income	0.03	0.18
Total Income	57,431.94	390,080.82
Gross Profit	57,431.94	390,080.82
Expense		
Auto Expense	101.93	257.47
Advertising & Marketing	16,979.95	49,375.23
Bank Fees	307.31	431.21
Business License & Taxes	1,100.00	4,295.11
Carriages	0.00	12,000.00
Depreciation	786.00	786.00
Donations	2,000.00	5,000.00
Dues & Subscriptions	1,601.84	3,465.23
Entertainment	1,664.99	10,114.99
Equipment Rentals	1,548.17	11,849.45
Fee Refunds	175.00	200.00
Fuel	26.83	196.99
Health Insurance	1,200.03	4,833.48
Insurance	2,785.32	12,624.34
Legal & Professional Fees	4,000.00	9,200.00
Meals	157.96	1,624.14
Merchant Fees	1,081.27	6,102.79
Office Supplies	2,374.36	8,024.02
Outside Services	2,029.45	10,194.42
Payroll Fees	489.00	1,540.00
Postage	0.00	58.00
Printing	1,466.89	8,955.91
Promotional	0.00	1,287.29
Rent	2,850.00	12,350.00
Salaries & Wages	35,561.94	123,028.41
Security	2,879.00	2,879.00
Supplies	9,465.42	19,800.13
Taxes - Payroll	3,209.48	10,693.10
Taxes - Property	0.00	64.53
Telephone	318.11	318.11
Utilities	3,103.90	3,917.25
Website Maintenance	1,110.00	2,095.87
Total Expense	100,374.15	337,562.47
Net Ordinary Income	-42,942.21	52,518.35
Other Income/Expense		
Other Income		
ERC Refunds	30,282.75	30,282.75
Gain/Loss on Asset Disposal	0.00	-1,600.00
Other Income	374.84	10,885.84
Total Other Income	30,657.59	39,568.59
Other Expense		
Sponsorship Refund	0.00	20,000.00

No assurance is provided on these financial statements.

Business Organization of Old Town
Profit & Loss
October through December 2022

	Oct - Dec 22	Jan - Dec 22
Total Other Expense	0.00	20,000.00
Net Other Income	30,657.59	19,568.59
Net Income	**-12,284.62**	**72,086.94**

Business Organization of Old Town
Profit & Loss
October through December 2022

	Fall (Antiques Fair & Vintag...	Total Antiques Fair & Vi...	Christmas
Ordinary Income/Expense			
Income			
Ticket Sales	0.00	0.00	0.00
Vendor Fees	6,119.00	6,119.00	459.00
Merchant Fee	0.00	0.00	0.00
City of Clovis / PBIA Funding	0.00	0.00	0.00
Event Income	0.00	0.00	0.00
Farmer's Market	0.00	0.00	0.00
Membership	0.00	0.00	0.00
Merchandise Sales	0.00	0.00	0.00
Sponsorships	0.00	0.00	3,900.00
Interest Income	0.00	0.00	0.00
Total Income	6,119.00	6,119.00	4,359.00
Gross Profit	6,119.00	6,119.00	4,359.00
Expense			
Auto Expense	0.00	0.00	0.00
Advertising & Marketing	0.00	0.00	7,219.36
Bank Fees	45.08	45.08	98.73
Business License & Taxes	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00
Donations	0.00	0.00	0.00
Dues & Subscriptions	0.00	0.00	0.00
Entertainment	0.00	0.00	14.99
Equipment Rentals	0.00	0.00	218.00
Fee Refunds	0.00	0.00	175.00
Fuel	0.00	0.00	0.00
Health Insurance	0.00	0.00	0.00
Insurance	0.00	0.00	959.92
Legal & Professional Fees	0.00	0.00	0.00
Meals	0.00	0.00	0.00
Merchant Fees	0.00	0.00	0.00
Office Supplies	0.00	0.00	10.78
Outside Services	0.00	0.00	0.00
Payroll Fees	0.00	0.00	0.00
Printing	0.00	0.00	1,131.79
Rent	0.00	0.00	0.00
Salaries & Wages	384.12	384.12	317.00
Security	775.00	775.00	888.00
Supplies	0.00	0.00	798.57
Taxes - Payroll	36.28	36.28	34.72
Telephone	0.00	0.00	0.00
Utilities	763.37	763.37	763.37
Website Maintenance	0.00	0.00	0.00
Total Expense	2,003.85	2,003.85	12,630.23
Net Ordinary Income	4,115.15	4,115.15	-8,271.23
Other Income/Expense			
Other Income			
ERC Refunds	0.00	0.00	0.00
Other Income	0.00	0.00	0.00
Total Other Income	0.00	0.00	0.00
Net Other Income	0.00	0.00	0.00
Net Income	4,115.15	4,115.15	-8,271.23

No assurance is provided on these financial statements.

Business Organization of Old Town
Profit & Loss
October through December 2022

	Friday Farmers Market	General	Fall (Glorious Junk Days)
Ordinary Income/Expense			
Income			
Ticket Sales	0.00	0.00	0.00
Vendor Fees	163.00	0.00	0.00
Merchant Fee	0.00	37.91	0.00
City of Clovis / PBIA Funding	0.00	15,000.00	0.00
Event Income	0.00	0.00	0.00
Farmer's Market	5,823.00	0.00	0.00
Membership	0.00	-15.00	0.00
Merchandise Sales	0.00	0.00	0.00
Sponsorships	0.00	0.00	0.00
Interest Income	0.00	0.03	0.00
Total Income	5,986.00	15,022.94	0.00
Gross Profit	5,986.00	15,022.94	0.00
Expense			
Auto Expense	0.00	101.93	0.00
Advertising & Marketing	4,003.50	4,890.00	0.00
Bank Fees	0.00	163.50	0.00
Business License & Taxes	0.00	0.00	0.00
Depreciation	0.00	786.00	0.00
Donations	0.00	0.00	0.00
Dues & Subscriptions	1,042.00	303.84	0.00
Entertainment	1,250.00	0.00	0.00
Equipment Rentals	0.00	275.34	0.00
Fee Refunds	0.00	0.00	0.00
Fuel	0.00	26.83	0.00
Health Insurance	0.00	1,200.03	0.00
Insurance	0.00	1,825.40	0.00
Legal & Professional Fees	0.00	4,000.00	0.00
Meals	0.00	157.96	0.00
Merchant Fees	0.00	1,081.27	0.00
Office Supplies	0.00	2,363.58	0.00
Outside Services	0.00	829.45	0.00
Payroll Fees	0.00	489.00	0.00
Printing	0.00	0.00	0.00
Rent	0.00	2,850.00	0.00
Salaries & Wages	3,765.14	29,190.41	454.70
Security	208.00	0.00	800.00
Supplies	1,168.14	128.55	0.00
Taxes - Payroll	407.52	2,530.67	48.56
Telephone	0.00	318.11	0.00
Utilities	666.00	245.17	0.00
Website Maintenance	0.00	1,110.00	0.00
Total Expense	12,510.30	54,867.04	1,303.26
Net Ordinary Income	-6,524.30	-39,844.10	-1,303.26
Other Income/Expense			
Other Income			
ERC Refunds	0.00	30,282.75	0.00
Other Income	0.00	374.84	0.00
Total Other Income	0.00	30,657.59	0.00
Net Other Income	0.00	30,657.59	0.00
Net Income	-6,524.30	-9,186.51	-1,303.26

No assurance is provided on these financial statements.

Business Organization of Old Town
Profit & Loss
October through December 2022

	Total Glorious Junk Days	Saturday Farmers Market	Spring (Wine Walk)
Ordinary Income/Expense			
Income			
Ticket Sales	0.00	0.00	0.00
Vendor Fees	0.00	0.00	0.00
Merchant Fee	0.00	0.00	0.00
City of Clovis / PBIA Funding	0.00	0.00	0.00
Event Income	0.00	0.00	0.00
Farmer's Market	0.00	1,293.00	0.00
Membership	0.00	0.00	0.00
Merchandise Sales	0.00	0.00	0.00
Sponsorships	0.00	0.00	0.00
Interest Income	0.00	0.00	0.00
Total Income	0.00	1,293.00	0.00
Gross Profit	0.00	1,293.00	0.00
Expense			
Auto Expense	0.00	0.00	0.00
Advertising & Marketing	0.00	0.00	0.00
Bank Fees	0.00	0.00	0.00
Business License & Taxes	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00
Donations	0.00	0.00	0.00
Dues & Subscriptions	0.00	306.00	-50.00
Entertainment	0.00	0.00	0.00
Equipment Rentals	0.00	0.00	0.00
Fee Refunds	0.00	0.00	0.00
Fuel	0.00	0.00	0.00
Health Insurance	0.00	0.00	0.00
Insurance	0.00	0.00	0.00
Legal & Professional Fees	0.00	0.00	0.00
Meals	0.00	0.00	0.00
Merchant Fees	0.00	0.00	0.00
Office Supplies	0.00	0.00	0.00
Outside Services	0.00	0.00	0.00
Payroll Fees	0.00	0.00	0.00
Printing	0.00	0.00	0.00
Rent	0.00	0.00	0.00
Salaries & Wages	454.70	1,307.45	0.00
Security	800.00	0.00	0.00
Supplies	0.00	0.00	0.00
Taxes - Payroll	48.56	136.06	0.00
Telephone	0.00	0.00	0.00
Utilities	0.00	0.00	0.00
Website Maintenance	0.00	0.00	0.00
Total Expense	1,303.26	1,749.51	-50.00
Net Ordinary Income	-1,303.26	-456.51	50.00
Other Income/Expense			
Other Income			
ERC Refunds	0.00	0.00	0.00
Other Income	0.00	0.00	0.00
Total Other Income	0.00	0.00	0.00
Net Other Income	0.00	0.00	0.00
Net Income	-1,303.26	-456.51	50.00

No assurance is provided on these financial statements.

Business Organization of Old Town
Profit & Loss
October through December 2022

	Fall (Wine Walk)	Total Wine Walk	TOTAL
Ordinary Income/Expense			
Income			
Ticket Sales	21,051.00	21,051.00	21,051.00
Vendor Fees	0.00	0.00	6,741.00
Merchant Fee	125.00	125.00	162.91
City of Clovis / PBIA Funding	0.00	0.00	15,000.00
Event Income	290.00	290.00	290.00
Farmer's Market	0.00	0.00	7,116.00
Membership	0.00	0.00	-15.00
Merchandise Sales	3,061.00	3,061.00	3,061.00
Sponsorships	125.00	125.00	4,025.00
Interest Income	0.00	0.00	0.03
Total Income	24,652.00	24,652.00	57,431.94
Gross Profit	24,652.00	24,652.00	57,431.94
Expense			
Auto Expense	0.00	0.00	101.93
Advertising & Marketing	867.09	867.09	16,979.95
Bank Fees	0.00	0.00	307.31
Business License & Taxes	1,100.00	1,100.00	1,100.00
Depreciation	0.00	0.00	786.00
Donations	2,000.00	2,000.00	2,000.00
Dues & Subscriptions	0.00	-50.00	1,601.84
Entertainment	400.00	400.00	1,664.99
Equipment Rentals	1,054.83	1,054.83	1,548.17
Fee Refunds	0.00	0.00	175.00
Fuel	0.00	0.00	26.83
Health Insurance	0.00	0.00	1,200.03
Insurance	0.00	0.00	2,785.32
Legal & Professional Fees	0.00	0.00	4,000.00
Meals	0.00	0.00	157.96
Merchant Fees	0.00	0.00	1,081.27
Office Supplies	0.00	0.00	2,374.36
Outside Services	1,200.00	1,200.00	2,029.45
Payroll Fees	0.00	0.00	489.00
Printing	335.10	335.10	1,466.89
Rent	0.00	0.00	2,850.00
Salaries & Wages	143.12	143.12	35,561.94
Security	208.00	208.00	2,879.00
Supplies	7,370.16	7,370.16	9,465.42
Taxes - Payroll	15.67	15.67	3,209.48
Telephone	0.00	0.00	318.11
Utilities	665.99	665.99	3,103.90
Website Maintenance	0.00	0.00	1,110.00
Total Expense	15,359.96	15,309.96	100,374.15
Net Ordinary Income	9,292.04	9,342.04	-42,942.21
Other Income/Expense			
Other Income			
ERC Refunds	0.00	0.00	30,282.75
Other Income	0.00	0.00	374.84
Total Other Income	0.00	0.00	30,657.59
Net Other Income	0.00	0.00	30,657.59
Net Income	9,292.04	9,342.04	-12,284.62

No assurance is provided on these financial statements.

CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Finance Department

DATE: February 13, 2023

SUBJECT: Consider Approval – Selection of SpryPoint Services, Inc., to Provide Utility Billing Software and Services with an Implementation Cost of $599,900, and Annual Costs of Approximately $170,500.

                Staff: Jeffrey Blanks, Deputy Finance Director
                Recommendation: Approve

ATTACHMENTS: 1. Draft Agreement

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
For the City Council to authorize the City Manager to enter into an agreement with SpryPoint for the provision of utility billing software and services.

EXECUTIVE SUMMARY
Due to the relative age of the utility billing software currently used, as well as the changing needs of the City, City staff identified the need to replace its utility billing software system. A Request for Proposals (RFP) was issued, with 9 proposals received and reviewed. As a result of the review, SpryPoint was selected as the firm with the best combination of software and services to fit the City's needs, both currently and into the future. It is recommended that a contract be signed with SpryPoint to implement and provide their utility billing software and services.

BACKGROUND
The City currently utilizes Harris DataNow for its utility billing and tracking needs. The system is multiple decades old, has serious technological limitations, and will be unsupported in the relatively near future. As such, City staff identified the need to issue an RFP to replace this system. An RFP was issued via the City's Planet Bids platform on March 18, 2022, with a due

date of April 26, 2022. Nine proposals were received, with all but one containing all the required elements.

Proposals were subsequently reviewed and rated based on certain criteria, such as the specifications of the software, the firm's ability to meet the specified proposal requirements, the firm's experience in similar engagements, and overall cost, among other factors. The City narrowed down to two vendors, Harris NorthStar and SpryPoint, to perform demonstrations. Ultimately, after substantial review and discussion, staff are bringing forth the recommendation to select SpryPoint and enter into an agreement for the provision of utility billing software and services.

FISCAL IMPACT
Costs for the implementation of this software ($599,900) have been included in the General Services (IT) budget for the fiscal year 2022-2023. Annual costs related to this system and services (approximately $170,500) will be included in future General Services (IT) budgets.

REASON FOR RECOMMENDATION
Staff have identified SpryPoint as the firm with the combination of software and services best suited to the City's needs, both currently and into the future. The City needs to upgrade its utility billing software system, and a partnership with SpryPoint has been determined to be the best fit for the City.

ACTIONS FOLLOWING APPROVAL
After approval by the Council, the City Manager will execute the agreement with SpryPoint, after which City staff will begin work with SpryPoint on the implementation of the new system.

Prepared by: Jeffrey Blanks, Deputy Finance Director

Reviewed by: City Manager *JH*

Master Subscription Agreement

This Master Subscription Agreement ("Agreement"), effective as of _____("Effective Date"), is by and between SpryPoint Services, Inc ("SpryPoint) a Canadian Corporation with offices at 45 Queen Street, Charlottetown, PE C1A 4A4 and the City of Clovis ("Client") with offices at 1033 5th St, Clovis, CA 93612, United States.

Whereas SpryPoint provides a subscription service to which Client intends to subscribe, this Agreement establishes the business relationship and allocation of responsibilities regarding the service and the parties therefore agree as follows.

The exhibits and schedules attached hereto are an integral part of this Agreement and are deemed incorporated by reference herein.

SpryPoint agrees to perform the services described below in accordance with the terms and conditions of this Agreement. Should there be a conflict in the terms or conditions of any Exhibit listed below and this Agreement, this Agreement shall control, and the order of precedence shall be as follows:

1. Master Subscription Agreement
2. Exhibit A – Statement of Work
3. Exhibit B – Pricing Schedule
4. Exhibit C – Service Level Agreement
5. Exhibit D – Insurance Requirements
6. Exhibit E – Security
7. Exhibit F – Data Processing
8. Exhibit G – Escrow Agreement
9. Exhibit H – SpryPoint Response to RFP – 2022-03-18a

DEFINITIONS. The following capitalized terms shall have the following meanings whenever used in this Agreement.

"Affiliate" means any entity which directly or indirectly controls, is controlled by, or is under common control by either party. For purposes of the preceding sentence, "control" means direct or indirect ownership or control of more than 50% of the voting interests of the subject entity.

"Agreement" means this Master Subscription Agreement including any exhibits or attachments hereto.

"Authorized Named User" means an end user of the Client that has been given access by Client to use the Services.

"Authorized Party or Parties" means Client's or an authorized Affiliate's employees and third-party providers authorized to access Client's Tenants and/or to receive Client Data by Client (i) in writing, (ii) through the Service's security designation, or (iii) by system integration or other data exchange process.

"Confidential Information" refers to the following types of material or content one party to this Agreement ("Discloser") discloses to the other ("Recipient"): (a) any information Discloser marks or designates as "Confidential" at the time of disclosure; and (b) any other non-public, sensitive information disclosed by Discloser including, but not limited to code, inventions, know-how, business, technical, and financial information, or other information which should reasonably be known by the Recipient to be confidential at the time it is disclosed, due to the nature of the information and the circumstances surrounding such disclosure Confidential Information does not include information that: (i) is in Recipient's possession at the time of disclosure; (ii) is independently developed by Recipient without use of or reference to Confidential Information; (iii) becomes known publicly, before or after disclosure, other than as a result of Recipient's improper action or inaction; or (iv) is rightfully obtained by Recipient from a third party without breach of any confidentiality obligations.

"Client Data" means a subset of Confidential Information that is comprised of Client's data obtained, used in, or stored as the result of the use of the Services. Client Data shall include the following: (a) Data collected, used, processed, stored, or generated by the Client as the result of the use of the Service, including any personal identifiable information ("PII") and any information related to payment processing, such as credit card numbers and

Attachment 1

ACH account numbers. Client Data is and shall remain the sole and exclusive property of Client and all right, title, interest in same is reserved to Client.

"Client Input" means suggestions, enhancement requests, recommendations or other feedback provided by Client, its employees and Authorized Parties relating to the operation or functionality of the Service.

"Competitor" means any entity that may be reasonably construed as offering competitive functionality or the Service offered by SpryPoint.

"Documentation" means the software's standard user manuals and any other accompanying documents related to the software delivered to Client during Implementation.

"Implementation" means the process for gathering requirements, configuring, testing, training, and integrating the Service for Client's use, as set forth in the Statement of Work attached as Exhibit A to this Agreement.

"Intellectual Property Rights" means any and all common law, statutory and other industrial property rights and intellectual property rights, including copyrights, trademarks, trade secrets, patents and other proprietary rights issued, honored or enforceable under any appliable laws anywhere in the world, and all moral rights related thereto.

"Implementation Services" means the services provided by SpryPointto Client for the integration, implementation, and use of the Service, which may include project management, analysis, configuration, data conversion, training, testing, development and ongoing maintenance & support, as outlined in Exhibit A - Statement of Work.

"Malicious Code" means viruses, worms, timebombs, trojan horses and other malicious code, files, scripts, agents or programs.

"Messaging Service" means SpryPoint's alerts, notifications, communications, campaigns & messaging capabilities provided with the Service.

"Parties" Collectively refers to SpryPoint and the Client.

"Personal Data" means any information that is related to an identified or identifiable individual and has been provided by Client or its Affiliates as Client Data within the SpryPoint Service to enable SpryPoint to process the data on its behalf.

"Production Deployment" means once the Client has provided User Acceptance Testing ("UAT") signoff and the Service has been moved into a production environment.

"Security Breach" means (i) any actual or reasonably suspected unauthorized use of, loss of, access to or disclosure of, Client Data; provided that an incidental disclosure of Client Data to an Authorized Party or SpryPoint or incidental access to Client Data by an Authorized Party or SpryPoint, where no reasonable suspicion exists that such disclosure or access involves theft, or is fraudulent, criminal or malicious in nature, shall not be considered a "Security Breach" for purposes of this definition, unless such incidental disclosure or incidental access triggers a notification obligation under any appliable Law and (ii) any security breach (or substantially similar term) As defined by applicable law.

"Service" means the combination of SpryPoint's software-as-a service applications as described in the Documentation and subscribed to as set forth in Exhibit B - Pricing Schedule or through a Change Order.

"Service Level Agreement" (SLA). means SpryPoint's standard Service Level Availability policy which may be updated from time to time. No update shall materially diminish SpryPoint's responsibilities under the SLA or this Agreement.

"Subscription Service Fee" means the annual amount invoiced and payable for Client's use of the Service. The Subscription Service Fee does not include the one-time implementation fees for the Services as set forth in Exhibit A Statement of Work.

"Tenant" means a unique instance of the Service, with a separate set of Client data held by SpryPoint in a logically separated database.

"Term" means the Initial Term of this Agreement which commences on the Effective Date and will continue for one year.

"Updates" means all updates, improvements, enhancements, error corrections, bug fixes, release notes, upgrades and changes to the Service and Documentation as developed by SpryPoint and made generally available for Production use.

1. **Provision of Service.**

    1.1 **SpryPoint Obligations.** During the Term of this Agreement, SpryPoint shall make the Service and Updates available to Client in accordance with the Documentation, the SLA and the terms of this Agreement. SpryPoint shall not use Client Data except to provide the Service, or to prevent or address service or technical problems, verify Service Updates, in accordance with this Agreement and the Documentation, or in accordance with Client's instructions and shall not disclose Client Data to anyone other than Authorized Parties in accordance with this Agreement.

    1.2 **Client Obligations.** Client may enable access of the Service for use only by Authorized Parties solely for the internal business purposes of Client and its Affiliates in accordance with the Documentation and not for the benefit of any third parties. Client is responsible for all Authorized Party use of the Service and compliance with this Agreement. Client shall: (a) have sole responsibility for the accuracy, quality, and legality of all Client Data and (b) take commercially reasonable efforts to prevent unauthorized access to, or use of, the Service through login credentials of Authorized Parties, and notify SpryPoint promptly of any such unauthorized access or use. Client shall not: (i) use the Service in violation of applicable Laws; (ii) in connection with the Service, send or store infringing, obscene, threatening or otherwise unlawful or tortious material, including material that violates privacy rights; (iii) send or store Malicious Code in connection with the Service or its related systems or networks in a manner not set forth in the Documentation. Client shall designate a number of named contacts to request and receive support services from SpryPoint. Named support contacts must be trained on the SpryPoint product(s) for which they initiate support requests. Client shall be liable for the acts and omissions of all Authorized Parties and Client Affiliates relating to this Agreement.

    1.3 <u>**Acceptable Use**</u>. Client acknowledges and agrees that SpryPoint does not police the content of communications or data of Client or its users transmitted through the Service, and that SpryPoint shall not be responsible for the content of any such communications or transmissions. Client shall use the Services exclusively for authorized and legal purposes, consistent with all applicable laws and regulations Client is solely responsible (a) for making sure that the disclosure and use of data, content and information provided to SpryPoint does not violate any applicable law or infringe upon the intellectual property rights of any third party and (b) for the appropriate use of any reports and other materials prepared by Client in a manner that will not violate any applicable law or infringe upon the intellectual property rights of any third party. Client agrees not to post or upload any content or data which (a) is libelous, defamatory, obscene, pornographic, abusive, harassing or threatening; (b) violates the rights of others, such as data which infringes on any intellectual property rights or violates any right of privacy or publicity; or (c) otherwise violates any applicable law. SpryPoint may remove any violating content posted or transmitted through the Services, without notice to Client. SpryPoint may suspend or terminate any user's access to the Service upon notice in the event that SpryPoint reasonably determines that such user has violated the terms and conditions of this Agreement.

2. **Fees.**

    2.1 **Invoices & Payment.** SpryPoint will invoice Client the first-year subscription fee for the Service upon execution of this Agreement. All fees are quoted and payable in United States Dollars. All invoiced charges are due net 45 days from the invoice date unless otherwise stated on the invoice. Client is responsible for providing SpryPoint complete and accurate billing and contact information including a valid email address prior to the commencement of your subscription. Upon SpryPoint's request, Client will make payments via electronic bank transfer. All remittance and invoice inquiries are to be directed to finance@SpryPoint.com.

2.2 <u>Disputed Invoices</u>. If Client reasonably disputes any portion of a SpryPoint invoice for Service, Client must pay the undisputed portion of the invoice and submit written notice of the dispute with sufficient detail of the nature of the dispute, the amount and invoices in dispute and information necessary to identify the affected Service for the disputed amount. All invoice disputes will be submitted by Client to the following: finance@sprypoint.com. All billing disputes must be submitted to SpryPoint within thirty (30) days from the date of the invoice. Client waives the right to dispute any charges not disputed within such thirty (30) day period. In the event the dispute is resolved against Client, Customer shall pay such amounts immediately.

Non-Cancelable & Non-Refundable. Except as specifically set forth to the contrary under Section 6 (Warranty) and Section 7 (Indemnification), all payment obligations are non-cancelable, and all payments made are non-refundable.

2.3 **Non-Payment and Suspension of Service.** If SpryPoint does not receive payment of any invoiced amount by the due date as provided in Section 2.1 herein, then without limiting rights and remedies, the unpaid and undisputed invoiced amount(s) may accrue interest at the rate of 1.5% per month. If any amount owing by Client for SpryPoint's Services under this Agreement is more than 45 days past due, SpryPoint, without limiting its other rights and remedies reserves the right to suspend the Service until such overdue amount is paid in full.

2.4 **Taxes.**   All fees invoiced pursuant to this Agreement do not include any applicable taxes. Client shall be solely responsible in the event any authority imposes a duty, tax, levy, or fee (excluding those based on SpryPoint's net income) directly upon the Client in relation to this Agreement.

2.5 **Tax Status.** SpryPoint's fees do not include any transaction taxes. Client agrees that it is exempt from all transaction taxes, including but not limited to, any local, state, provincial, federal or foreign taxes, levies, duties or similar governmental assessments of any nature, including value - added, goods and services taxes, excise, use or similar taxes. In the event that Client's tax-exempt status changes such that it is no longer exempt from transaction taxes, Client shall become responsible for paying all transaction taxes associated with this Agreement. If SpryPoint has a legal obligation to pay or collect transaction taxes for which Client is responsible under this section, the appropriate amount shall be invoiced to and paid by Client. If Client itself, as a body entitled to assess taxes or fees, imposes any taxes or fees upon SpryPoint's provision of the Services, the fees in this Agreement are net of any such taxes or fees and SpryPoint will gross up its invoices to include such taxes or fees.

2.6 **Additional Services.** The Service includes optional variable services such as SMS messaging services and outbound IVR dialer services (collectively "Additional Services"). All Additional Services shall be invoiced by SpryPoint to Client upon the request of such services by an authorized representative of the Client at the pricing and rates provided in Exhibit B.

(a) For SMS text messaging services, an optional SMS Short Code fee shall be invoiced upon request of a Short Code by Client. SMS short code fees shall be invoiced annually, while in- bound and out-bound text message usage fees shall be invoiced monthly for actual amount used.

(b) For Outbound IVR services, usage fees shall be invoiced monthly for the actual amount used upon activation and usage of the outbound IVR services.

2.7 **Enhancement Cost.** Any enhancements to the Service beyond the initial scope as outlined in Exhibit A – the Statement of Work, will be performed on a time and material basis, at an hourly rate of $200 USD per hour. Sprypoint may implement enhancements in accordance with the change control process as outlined in Exhibit A.

2.8 **Additional Users.** SpryPoint will be automatically notified when new users are added to Client's Service. If the number of active users, not including archived users, exceeds Client's current subscription, SpryPoint will invoice Client for any incremental user additions during the calendar month. Invoice to Client will be prorated to align with the remaining months of Client's subscription period.

2.9 **Holdback.** Notwithstanding anything to the contrary in the Agreement, SpryPoint shall withhold billing and invoicing at an amount equal to ten percent (10%) of each payment milestone for Implementation Services fees until the Go Live/ Cutover Date.

3. **Proprietary Rights**

    3.1   **SpryPoint Intellectual Property Rights.** SpryPoint retains all right, title, and interest in and to the Service, Documentation and other SpryPoint Intellectual Property Rights including any related methodologies, techniques, processes, and instruction developed by SpryPoint and used in the course of delivering the Service. under this Agreement and an applicable Statement of Work. No rights are granted to Client hereunder other than expressly set forth herein.   Client shall not (and shall not allow or cause any third party to (i) reverse engineer, modify or copy the Service or Documentation or create any derivative works based on the Service and Documentation; (ii) copy and features, functions, interfaces, integrations or graphics of the Service or Documentation; (iii) access the Service or Documentation in order to build any commercially available product or service.

    3.2   **Client Rights.** SpryPoint hereby grants Client's Authorized Named Users (and those of Client's Affiliates and Authorized Parties) a non-exclusive, non-transferable, non-perpetual limited right to use the Service and Documentation, solely for the internal business purposes of Client and Affiliates and solely during the Term, subject to the terms and conditions of this Agreement.

    3.3   **License to Host Client's Data.** Client grants SpryPoint and SpryPoint's hosting partners a worldwide, limited-term license to host, copy, transmit and display Client's Data, as necessary for SpryPoint to provide the Service in accordance with this Agreement. As between SpryPoint and Client, SpryPoint acquires no right, title or interest from Client under this Agreement in or to Client's Data.

    3.4   **License to use Client's Feedback.** Client grants to SpryPoint and its affiliates a worldwide, perpetual, irrevocable, royalty-free license to use and incorporate into the Service any suggestion, enhancement request, recommendation, correction or other Client feedback relating to the Service. SpryPoint shall have no obligation to make Improvements or modify Service based on Client Input.

    3.5   **Statistical Information.** SpryPoint owns all aggregated and statistical data derived from the operation of the Service, including, without limitation, the number of records in the Service, the number and types of transactions, configurations, and performance results for the Service. SpryPoint may anonymously compile statistical information related to the performance of the Service for purposes of improving the SaaS service, provided that such information does not identify Client's Data or include Client's name.

4. **Confidentiality**

    4.1   **Confidentiality.** A party shall not disclose or use any Confidential Information of the other party except as reasonably necessary to perform its obligations or exercise its rights pursuant to this Agreement except with the other party's prior written permission.

    4.2   **Nondisclosure.** A party shall not use Confidential Information for any purpose other than to facilitate this Agreement. A Recipient: (a) shall not disclose Confidential Information to any employee or contractor unless such person needs access in order to facilitate the Agreement and executes a nondisclosure agreement with Recipient (b) shall not disclose Confidential Information to any third party without Discloser's prior written consent.

    4.3   **Protection.** Each party shall protect Confidential Information with the same degree of care it uses to protect its own confidential information, but in no event using less than a reasonable standard of care.

    4.4   **Injunctive Relief.** Recipient agrees that disclosure of Confidential Information would cause irreparable injury, for which monetary damages would be inadequate. If a Recipient discloses or uses any Confidential Information of the other party in breach of the confidentiality protections hereunder, the other party shall have the right, in addition to any other remedies available, to injunctive relief to enjoin such acts.

    4.5   **Retention of Rights.** This Agreement does not transfer ownership of Confidential Information or grant a license or any other right thereto. Discloser will retain all right, title and interest in and to all Confidential Information.

5. **Data Privacy & Security**

    5.1   **SpryPoint use of Data.** Client hereby grants SpryPoint a limited right to access, process, collect, store, generate, display, and use Client Data for the sole purpose of providing the Service. SpryPoint shall keep

and maintain Client Data in strict confidence and shall not allow any third parties to use, disclose, or access Client Data without Client's prior written consent. Notwithstanding the foregoing, SpryPoint may disclose Client Data as required by applicable law or by proper legal or governmental authority. SpryPoint shall give Client notice of any such legal or governmental demand and reasonably cooperate with Client in any effort to seek a protective order or otherwise contest such required disclosure, at Client's expense.

5.2   Data Security. Each Party shall be responsible for establishing and maintaining its own data privacy and information security policies, including physical, technical, administrative, and organizational safeguards to ensure the security and confidentiality of Client Data; protect against any anticipated threats or hazards to the security of Client data, protect against unauthorized disclosure, access to, or use of Client Data, ensure the proper disposal of Client Data, and ensure that all employees, agents, and subcontractors, if any, comply with the above.

5.3   Unauthorized Disclosure. If either Party believes there has been a Security Breach, such party must notify the other party upon the earlier of forty-eight (48) hours after discovery or any time frame required by applicable law unless legally prohibited from doing so. Each Party will reasonably assist the other Party in mitigating or remediating any potential damage where appropriate. Each party shall bear the costs of such remediation or mitigation to the extent the breach or security incident was caused by it. As soon as reasonably practicable after any such Security Breach, upon Client's request, Client and SpryPoint will consult in good faith regarding the root cause analysis and any remediation efforts.

6.   Warranties & Disclaimers

6.1   From SpryPoint.

   a) **Function:** SpryPoint represents and warrants that, during the Term, the Service will perform materially in accordance with the Documentation.
   b) **Intellectual Property Rights:** SpryPoint represents and warrants that it owns the Service and has the power and authority to grant the rights in this Agreement without the further consent of any third party.
   c) **Malicious Code:** SpryPoint represents and warrants that to the best of its knowledge, the Service does not contain any Malicious Code. SpryPoint further warrants that it will not knowingly introduce any Malicious Code into the Service.

6.2   From Both Parties. Each party represents and warrants that it has the full right and authority to enter into, execute, and perform its obligations under this Agreement and that no pending or threatened claim or litigation known to it would have a material adverse impact on its ability to perform as required hereunder.

6.3   Warranty Remedies. In the event of a breach of the warranty as set forth in Section 6.1, or upon the discovery of Malicious Code in the Service, (a) SpryPoint shall correct the non-conforming Service at no additional charge to Client or (b) in the event SpryPoint is unable to correct such deficiencies after good-faith efforts, SpryPoint shall refund Client amounts paid that are attributable to the defective Service from the date SpryPoint received such notice through the date of remedy, if any. At no time shall the refund exceed 1.5X the Subscription Service Fees actually paid by Client in consideration for SpryPoint's service delivery during the immediately preceding twelve (12) month period for the Service.

6.4   Warranty Disclaimer.   EXCEPT FOR THE EXPRESS WARRANTIES OUTLINED IN SECTION 6.1 AND 6.2 ABOVE, SPRYPOINT MAKES NO WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SERVICE AND/OR RELATED DOCUMENTATION. SPRYPOINT DOES NOT WARRANT THAT THE SERVICE WILL PERFORM WITHOUT ERROR OR THAT IT WILL RUN WITHOUT IMMATERIAL INTERRUPTION.   THE LIMITED WARRANTIES PROVIDED HEREIN ARE THE SOLE AND EXCLUSIVE WARRANTIES PROVIDED TO CLIENT IN CONNECTION WITH THE PROVISION OF THE SERVICE.

7.   Indemnification

7.1   Indemnification. SpryPoint shall protect, defend, hold harmless and indemnify Client harmless against any loss, damage or costs in connection with claims, demands, suits or proceedings ("Indemnified Claims)" made or brought against Client alleging that the use of the Service infringes any third party's Intellectual Property Rights; provided, however, that Client; (a) promptly gives written notice of the Claim to SpryPoint; (b) gives SpryPoint sole control of the defense and settlement of the Claim; and (c) provides

to SpryPoint, at SpryPoint's cost, all reasonable assistance. SpryPoint's obligations set forth in this Section do not apply to the extent that an Indemnified Claim arises out of: (a) Client's breach of this Agreement; (b) revisions to the Service made without SpryPoint's written consent; (c) Client's failure to incorporate Upgrades that would have avoided the alleged infringement; (d) Modification of the Service by Client, its Employees, or Authorized Parties in conflict with Client's obligations (e) Unauthorized use of the Service by third parties; or (f) use of the Service in a manner that is materially inconsistent with the Documentation. Furthermore, the obligation to indemnify shall not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of Client. If Client is enjoined from using the Service or SpryPoint reasonably believes it will be enjoined, SpryPoint shall have the right at its sole option, to obtain for Client the right to continue use of the Service or approval from Client in writing to replace or modify the Service so that it is no longer infringing. If neither of the foregoing options is reasonably available to SpryPoint, then use of the Service may be terminated at either party's option and SpryPoint's sole liability shall be to refund any prepaid fees for the Service that were to be provided after the effective date of termination.

8. Limitation of Liability

8.1 **Liability Cap.** SpryPoint's liability arising out of or related to this Agreement shall in no event exceed 1.5X the Subscription Service Fees paid by Client within the twelve (12) months preceding the claim. However, with respect to SpryPoint's breach of Articles 4 or 5, such limitation of liability shall not exceed the amount recovered by SpryPoint's Cyber or Privacy insurance as part of E&O or other applicable insurance.

8.2 **Clarifications & Disclaimer.** TO THE MAXIMUM EXTENT PERMITTED BY LAW AND EXCEPT WITH RESPECT TO EITHER PARTY'S INDEMNIFICATION OBLIGATIONS, RECKLESS MISCONDUCT, GROSS NEGLIGENCE, WILLFUL MISCONDUCT AND/OR FRAUD, IN NO EVENT SHALL EITHER PARTY'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, EXCEED 1.5X THE SUBSCRIPTION SERVICE FEES ACTUALLY PAID BY CLIENT IN CONSIDERATION FOR SPRYPOINT'S SERVICE DELIVERY DURING THE IMMEDIATELY PRECEDING TWELVE (12) MONTH PERIOD FOR THE SERVICE FROM WHICH THE CLAIM AROSE. FOR THE AVOIDANCE OF DOUBT, SPRYPOINT'S LIABILITY LIMITS APPLY TO SPRYPOINT'S AFFILIATES, PROVIDERS, AGENTS, SPONSORS, DIRECTORS, OFFICERS, EMPLOYEES, CONSULTANTS AND OTHER REPRESENTATIVES.

8.3 **Exclusion of Damages.** EXCEPT WITH RESPECT TO AMOUNTS TO BE PAID BY EITHER PARTY PURSUANT TO A COURT AWARD (OTHER THAN A DEFAULT JUDGMENT) OR SETTLEMENT AS WELL AS THE DEFENSE COSTS UNDER THE INDEMNIFICATION OBLIGATIONS NO MATTER HOW MUCH DAMAGES MAY BE CHARACTERIZED, IN NO EVENT SHALL EITHER PARTY HAVE ANY LIABILITY TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, OR FOR ANY LOST PROFITS, LOSS OF USE, COST OF DATA RECONSTRUCTION, COST OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, WHETHER IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THE SERVICE, INCLUDING BUT NOT LIMITED TO THE USE OR INABILITY TO USE THE SERVICE, ANY INTERRUPTION, INACCURACY, ERROR OR OMISSION, EVEN IF THE PARTY FROM WHICH DAMAGES ARE BEING SOUGHT OR SUCH PARTY'S LICENSORS, OR SUBCONTRACTORS HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGES. CLIENT WILL NOT ASSERT THAT ITS PAYMENT OBLIGATIONS ARE EXCLUDED AS SPRYPOINT'S LOST PROFITS.

9. Term & Termination

9.1 **Term of Agreement.** The Term of this Agreement commences on the Effective Date and will continue for one year.

9.2 **Annual Renewal.** The initial Term shall automatically renew for successive terms of one year unless either party provides the other written notice of termination at least (30) days prior to the expiration of the current term.

9.3 **Annual Escalation.** The annual Subscription Service Fee for the Service shall be subject to adjustment on each anniversary of the Effective Date at the higher of 4% or CPI with a maximum per-year increase of 6%.

9.4 Termination for Convenience. Client shall have the right to terminate this Agreement without cause or penalty, by giving not less than Thirty (30) days' prior written notice to SpryPoint. Upon termination, Client shall pay SpryPoint all fees due up to the time of termination.

9.5 Termination for Default. Either party may terminate this Agreement upon Thirty (30) days prior written notice in the event of a material breach by the other party if such breach remains uncured at the expiration of such notice period.

9.6 Termination for Non-Appropriation of Funds. Notwithstanding any other provision of this Agreement, if funds for the continued fulfillment of this Agreement are not forthcoming or are insufficient, through the failure of any entity to appropriate funds or otherwise, Client will have the right to terminate at no additional cost or penalty by giving Thirty (30) days written prior notice documenting the lack of funding.

9.7 Effect of Termination. Upon any termination of this Agreement, Client shall, as of the date of such termination, immediately cease accessing and otherwise utilizing the applicable Service. Termination for any reason shall not relive Client of the obligation to pay any fees accrued or due and payable to SpryPoint prior to the effective date of termination.

9.8 Access to Client Data. Upon written request by Client made prior to any expiration or termination of this Agreement, SpryPoint will make Client Data available to Client through the Service solely for purposes of Client retrieving Client Data for a period of up to sixty (60) days. After 60 days, SpryPoint will have no obligation to maintain or provide any Client Data and shall thereafter, unless legally prohibited, delete all Client Data and will have no further obligation to make it available to Client.

10. Messaging.

10.1 Supplemental Messaging Terms. If Client elects to use SpryPoint's Alerts, Notifications, Communications, Campaigns & Messaging capabilities ("Messaging Service") provided with the Service the following supplemental terms ("Messaging Terms") will apply. For avoidance of doubt, Messaging Terms apply to all SpryPoint applications within the Service involving automated phone calls, pre-recorded messages, text messages, emails, in-app notifications and any other bulk communications.

10.2 Responsibility & Risk. Client shall be solely responsible for the content of any communications which Client initiates or authorizes in connection with the Messaging Services. SpryPoint shall have no responsibility or liability with respect to messages or communications initiated or authorized by Client. Client assumes all risks associated with use of the Messaging Service.

10.3 Messaging Indemnity. Client shall hold harmless, defend and indemnify SpryPoint and its officers, directors, employees, contractors and representatives from and against all claims, damages, losses and expenses including without limitation any statutory damages, penalties and attorney's fees arising out of or relating to the Messaging Service or any breach by Client of the Agreement including without limitation, these Messaging Terms, except in the event of SpryPoint's willful misconduct.

10.4 Compliance. SpryPoint is limited to delivering the Messaging Service to the Client as part of the Service, accordingly, compliance with applicable laws is strictly Client's responsibility with respect to the Messaging Service notwithstanding any provision to the contrary.

11. Miscellaneous

11.1 Independent Contractor. SpryPoint and all persons(s) employed by or contracted with SpryPoint to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of Client. SpryPoint has full rights and obligations to manage its employees in their performance of the Service under this Agreement. This Agreement does not create nor is it intended to create a partnership, franchise, joint venture, agency, fiduciary or employment relationship between the parties. There are no third-party beneficiaries to this Agreement.

11.2 Insurance. SpryPoint will maintain during the entire Term of this Agreement, at its own expense the insurance coverage as outlined in Exhibit D. The policies shall name Client as an additional insured with respect to the provision of services provided under this agreement.

11.3 Governing Law. This Agreement shall be governed exclusively by the internal laws of the State of California.

11.4   Notices. All notices under this Agreement shall be in writing and shall be deemed to have been given upon the third business day after first class mailing.

Notices to the Client shall be sent to:

> Jeffrey Blanks
> Deputy Finance Director
> 1033 Fifth Street
> Clovis, CA 93612.

> Notices to SpryPoint shall be sent to:

> Kyle Strang
> Managing Partner
> 45 Queen Street – Suite #401
> Charlottetown, PE C1A 4A4

11.5   Waiver. No failure or delay by either party in exercising any right under this Agreement shall constitute a waiver of that right or any other right. Neither Client's review, acceptance nor payments for any of the Service or the Implementation Services shall be constructed to operate as a waiver of any rights under this agreement or of any cause of action arising out of the performance of this Agreement.

11.6   Force Majeure. In no event shall either party be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that SpryPoint shall use reasonable efforts which are consistent with accepted software industry practices to resume performance as soon as practicable under the circumstances. Both SpryPoint and Client must provide written notice of a Force Majeure event within 20 days of the event occurrence. Dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.   Client has the right to terminate this Agreement if a Force Majeure event suspends performance of the Service for a period of 30 days or more.

11.7   Conflicts of Interest. SpryPoint certifies that to the best of its knowledge, no Client officer, employee or authorized representative has any financial interest in the business of SpryPoint and that no person associated with SpryPoint has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement.

11.8   Fair Employment. SpryPoint shall not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

11.9   Time. Time is of the essence in the performance of this Agreement.

11.10 Assignment.   Neither Party may assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other party (which consent shall not be unreasonably withheld). Except to the extent forbidden herein, this Agreement will be binding upon and inure to the benefit of the parties' respective successors and assigns.   Notwithstanding the foregoing, either party may assign this Agreement in its entirety without consent of the other party in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets so long as the assignee agrees to be bound by all of the terms of this Agreement and all past due fees are paid in full. In no event shall Client have the right to assign this Agreement to a direct Competitor of SpryPoint. Any attempt by a party to assign its rights or obligations under this Agreement other than as permitted by this section shall be void and of no effect. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties, their respective successors and permitted assigns.

11.11 Severability. To the extent permitted by the law, the parties waive any provision of law that would render any clause of this Agreement invalid or unenforceable. In the even that a provision herein is held to be invalid or unenforceable, such provision will be interpreted to fulfills its intended purpose to the maximum extent permitted by the law, and the remaining provisions of this Agreement will continue in full force and effect.

11.12 Publicity. Except as set forth herein, SpryPoint shall not use Client's name, logos, or trademarks in any written press releases, advertisements and/or marketing materials without the prior consent of Client, SpryPoint is authorized to use Client's name and logo in lists of Clients and on its website, however, such usage shall not be classified as an advertisement but only identification as an entity who receives the Service from SpryPoint.

11.13 Piggyback. It is understood and agreed by Client and SpryPoint that any governmental entity may purchase the services specified herein in accordance with the prices, terms, and conditions of this Agreement. It is also understood and agreed that each local entity will establish its own contract with SpryPoint, be invoiced therefrom and make its own payments to SpryPoint in accordance with the terms of the contract established between the new governmental entity and SpryPoint. It is also hereby mutually understood and agreed that Client is not a legally bound party to any contractual agreement made between SpryPoint and any entity other than Client.

11.14 Amendment. This Agreement may only be amended in writing by authorized representatives of each party.

11.15 Execution in Counterparts: This Agreement may be executed in one or more counterparts. Each counterpart will be an original, but all such counterparts will constitute a single instrument.

City of Clovis	SpryPoint Services, Inc.
Signature:	Signature:
Name:	Name: Ryan Cawley
Title:	Title: Managing Partner
Date Signed:	Date Signed:

Exhibit A - Statement of Work

Table of Contents

Statement of Confidentiality

The contents of this proposal are confidential and are supplied on the understanding that they will be held confidentially and not disclosed to third parties without the prior written consent of SpryPoint.

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1. Introduction

This Statement of Work (SOW) is entered into per the Agreement Date by and between SpryPoint Services Inc. (hereinafter "**SpryPoint**"), with principal offices in Charlottetown, PE, and City of Clovis ("**Client**") with offices at 1033 5th St, Clovis, CA 93612, United States.

Background Statements:

- **SpryPoint** will provide a range of software solutions and services to achieve a business solution that meets the identified Customer Information System (CIS) Solution ("Solution") requirements of **Client**.

- The Solution will encompass several SpryPoint products which include:
  - SpryCIS – Customer Information System
  - SpryEngage – Customer Engagement Portal
  - SpryMobile – Mobile Field Service
  - SpryBackflow – Cross Connection Control

- **Client** wishes to work together with **SpryPoint** for the implementation of the Solution and **SpryPoint** agrees to provide such services and/or software as agreed to in the terms provided herein.

- This Statement of Work provides the general detailed terms and provisions that govern the delivery of all services and/or deliverables to **Client** by **SpryPoint**.

- All items in SpryPoint's response to the Feature Function Requirements (2022-03-17a) in the RFP 2022-03-18a for a Enterprise Utility Billing and Customer Information System are within the scope of this project. It is **SpryPoint's** responsibility to provide all the capabilities described in the Specifications with the SpryPoint software solutions and services.

This document is one of several that constitute the Agreement. As such, if any discrepancy exists between the documents, the precedence shall be listed in the Statement of Work. These documents help define the project's scope and will guide its execution.

1.1. Background

The goal of the City is to procure and implement a web based customer information systems that utilizes best practices, the latest technology, automated workflow and improved and simplified reporting.

2. Project Goals and Objectives

2.1. Goals and objectives

The **Client's** goals for this project and their supporting objectives are to take advantage of the newest technology and harness efficiencies by reviewing business processes or implementing technology to enhance existing business processes. The primary objective is to procure, implement, and maintain a system or systems that mitigates current

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challenges, allows for streamlined collection and processing of information, and facilitates standardization and timely access to information.
Objectives for this project include:

Successful Implementation
- Implement a new CIS Solution built on a modern and cloud-based technology platform in accordance with SpryPoint's proposal:
- Install a system that will interface with (or provide replacement solutions for) the **Client's** other information systems.
- Implement advanced options for calculating customer bills, and providing customer self-service capabilities, mobile field service, backflow program management and other common functions and features.
- Provide a system that is flexible enough to accommodate business changes, requests for new services, and the need for enhanced business information.
- Install a system that is upgraded and enhanced regularly by **SpryPoint.**
- Install a system that provides best business-practice methodologies.
- Install a cost-effective system that can be easily maintained.
- A Web based CIS that allows for automation and streamlining of the utility billing processes and improves data management, including collection, reporting and record keeping.

Greater transparency and visibility into the CIS system:
- User-friendly reporting tools & advanced data analytics
- API driven interfaces into and from the CIS system
- An automated method for uploading meter readings to the CIS
- Automated dispatching and Mobile Field Service
- Audit Trails throughout the application.
- See visible alerts and consumption history on the mobile application

Provide better customer service:
- Provide the following benefits: easy access to information, user friendliness, process automation, real-time system changes, billing flexibility, and 24/7 access.
- Accurately calculate bills for all Customer classes, services, cycles, allocations, and capital recovery.
- Correctly allocate accounts receivable and payments among general ledger funds.
- Correctly process account and property activities.
- Provide Customer Service Reps (CSRs) with quicker access to customer information in one centralized location.
- Integrate customer self-service capabilities (that is, account information, payment options, service activities, etc.).
- Increase the efficiency and effectiveness of both employees and business processes to increase and improve employee job satisfaction, resulting in better customer service.
- Generate customer service metrics to satisfy the **Client**'s desire to improve as well as meet future regulatory requirements.
- Improve data access through reporting & dashboarding tools.
- Ability for customers to sign up for and receive bills via SMS and email.

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- Ability for customers to sign up for leak alerts, financial alerts and usage alerts.
- Ability to manage meters, registers, and endpoint (ERT)

Manage the project well:
- Deliver the project on time and within budget.
- Employ a formal project management process
- Engage the users of the system in the communication and decision-making processes to develop ownership and acceptance of the new system.
- Provide adequate knowledge transfer throughout the project.
- Ensure that the implementation is as non-disruptive as possible to customers.
- Delivery of documentation via online help, project shared portal and reporting tools.

2.2. Guiding Principles

The project will employ the following guiding principles throughout its operation and execution:

1. Standardize and align business operations to Industry best practices where it makes sense.
2. The project will be based on a 'Solution-Based' approach rather than a 'System-based' approach focusing on high value processes and driving efficiencies.
3. Client will empower designated project team members knowledgeable on current state operations to make decisions that will bind the organization in future state business process operations. These designated team members will be represented in each workshop.
4. Leverage base application capabilities as much as possible and minimize customizations
5. SpryPoint and Client will operate as a unified team and partners in the execution of the project
6. There will be a focus and commitment to organizational change management and staff preparation and readiness throughout the project.
7. Transparency of project status and readiness will not be compromised regardless of desired outcome
8. Client will measure the success of the project against the following statement: "A fully delivered solution of acceptable quality, on time and within budget that delivers accurate and timely customer and meter to cash processes.":

- Scope as defined in this agreement is fully met at the acceptance of the system: project is "fully delivered";
- Acceptance of delivered scope at the completion of the project occurs as scheduled: project is "on time";
- Costs do not exceed the projected budget as appropriated at the start of the project and/or any additional approved change orders: project completes "within budget";
- Successful integration with other core Client business systems as outlined below.

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- Acceptance criteria according to that defined in this agreement and subsequent deliverables, are met: project deliverables are of "acceptable quality".

3. Scope of Work

3.1. Overall Project Approach

SpryPoint shall use its implementation methodology, to deliver the SpryPoint Service, while reporting and delivering to the Client the requested deliverables and service levels in this SOW. SpryPoint will use its hybrid approach that brings together the best of the traditional waterfall methodology and combine it with the best elements of the agile methodology. This methodology encompasses Project Management tasks, Pre-project tasks, and five (5) phases, as follows:

- Analysis
- Configure
- Test
- Deploy
- Operate

The project scope assumes all SpryPoint Products will go live at the same time. If it is determined during implementation to split up the go live of one or multiple products; the change order process will be engaged to outline any project impacts.
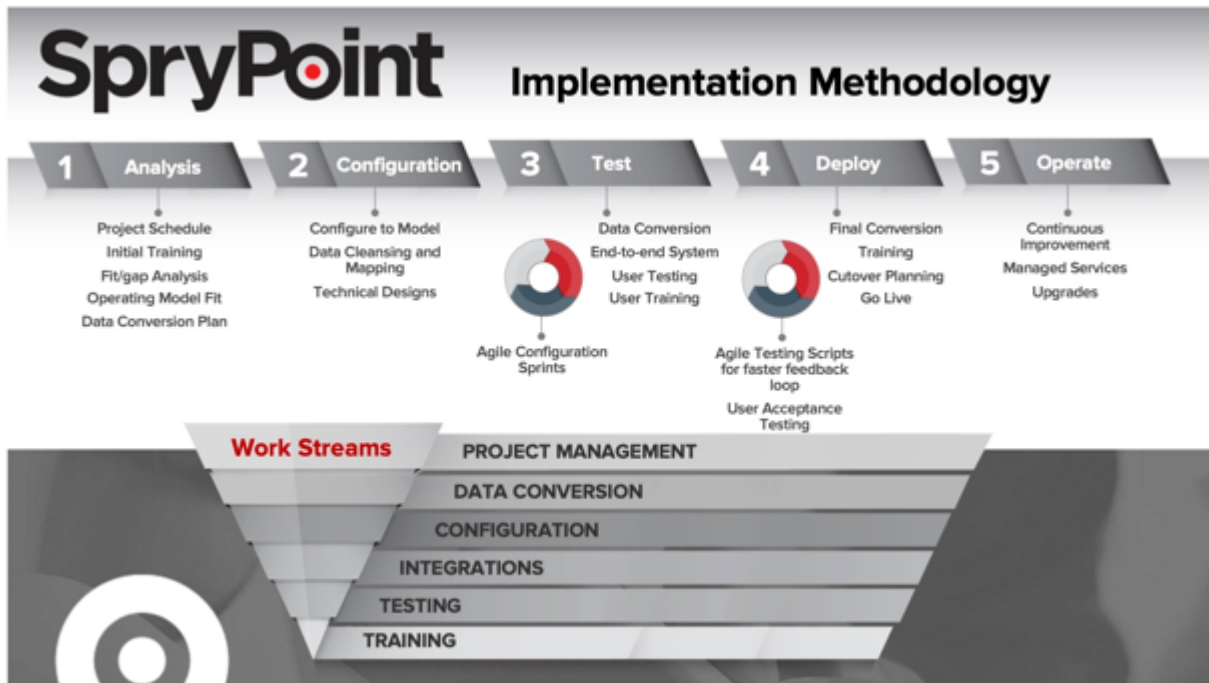
3.2.   Pre-Project Initiation

Upon contract signing before Project Initiation there are several pre-project activities the client can choose to prepare for the implementation. Completion of these activities is not mandatory to start the project but will need to be at some point through the project.

- Documentation to gather
  - Operating polices
    - Any documentation on Standard Operating Procedures
    - Published rules/polices
    - Internal documentation – How Tos/Workflows, etc
  - Gather Lists of Information
    - Customer Forms (online or printed)
    - Communications – letters (collections, budgets, payment plans, etc)
    - Service Order Types
    - Credit Memos
    - Miscellaneous Charges
    - Billing Rates/details
    - Penalty and collection rules
    - GL codes used in CIS
    - Meter data (counts, types of meters, inventory)
  - Staffing and Roles
    - Identify Subject Matter Experts
    - Grid of staff, roles, and responsibilities
    - Field Operation users that will need to be engaged with SpryMobile
  - Bill Statement
    - Do you want to redesign? If yes,
    - Who needs to be involved in this decision?
    - What do you want to change?
    - Goals of redesign
    - Who needs to approve new design?
    - Does the new design need to be approved by a committee? If so, how long does this process take
  - Reporting
    - What reports do you have today?
    - Do you still use this report and what is it for?
    - Fill out Report list
    - Collect report samples
  - Data Cleansing
    - Start to identify problem records (accounts, customers, premises)
    - Start to identify duplicate records
    - Identify problems with data that you would like to resolve
    - Identify fields that are multipurpose

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3.3. Project Roles

3.3.1. Project Staffing Matrix

The following staffing matrix has been included for planning purposes. An updated matrix will be provided with the baselined project schedule

SpryPoint

Role	Analysis		Configure (Configure, Test & Train)						Test & Train				Deploy	Operate		
Month Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Project Manager	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Lead CIS Solution Architect	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	1
CIS Implementation Specialist	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0.5	1
SpryEngage Implementation Specialist		1		1		1		1					1	0.5	0.5	0.5
SpryMobile Implementation Specialist	1		1		1			1	1			0.5	1	0.5	0.5	
Data Conversion & Reporting Specialist	1		1	1	1		1			1		1		1	0.5	
Development & Technical Support	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	
Total Weeks Per Month Allocated	6.00	5.00	6.00	6.00	6.00	6.00	4.00	7.00	5.00	5.00	4.00	6.50	5.50	6.00	5.00	2.75
FTE Count based on 160 hours per month	1.50	1.25	1.50	1.50	1.50	1.50	1.00	1.75	1.25	1.25	1.00	1.63	1.38	1.50	1.25	0.69

City of Clovis, California

Role	Analysis		Configure (Configure, Test & Train)						Test & Train				Deploy	Operate		
Month Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Project Manager	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
CIS - Functional Lead	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
CIS - Subject Matter Expert	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
CIS - Business Analyst	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Technical Lead	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
CSRs	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Total Weeks Per Month Allocated	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75	8.75
FTE Count based on 160 hours per month	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2

3.3.2. SpryPoint Roles

The following table outlines the various roles of the SpryPoint Project Team

Job Roles	Description
Project Manager	See section 3.9.1
Lead CIS Solution Architect (SA)	The Solution Architect provides over site and works with the client to map solution functionality to the client 's needs. This includes the recommendation of best practices. This person will lead activities such as analysis workshops, data conversion strategy, data mapping, etc. The SA will also ensure all solution are in alignment to meet the go forward business processes.
CIS Implementation Specialist	Product specialist(s) that work with the SA to assist with discovery, configuration, testing, training cutover and post go live activities.
SpryEngage Implementation Specialist	Product specialist(s) that work with the SA to assist with discovery, configuration, testing, training cutover and post go live activities.
SpryMobile Implementation Specialist	Product specialist(s) that work with the SA to assist with discovery, configuration, testing, training cutover and post go live activities.
Data Conversion & Reporting Specialist	Technical resources that work with the SA and implementation team members on data conversion activities and report building.
Development & Technical Support	Members of our Development and Dev Ops teams who work with the implementation team on coding of

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| | integrations & enhancements and complete any environment provisions and environment support. |

3.3.3.   Client Roles

The following table outlines the various roles required from the Client

Job Roles	Description
Project Manager	See section 3.9.1
CIS Functional Lead	Client resource(s) who are going to work with the SpryPoint Team member to complete project activities and make project decisions and decisions on go forward business processes
CIS Subject Matter Experts	Client resource(s) that understand the current business needs, it is recommended that these users be part of the testing processes
Business Analyst	A client resource who can dig into and help analyze issues such as problems with data, bill validation differences, balancing issues, etc.
Technical Lead	Resource(s) that will be responsible for extraction of data from the legacy system. Members who should be training activities such as reporting, security management, etc.
CSRs	Client resource(s) that understand the current needs of your clients and understands the level of service the client provides, it is recommended that these users be part of the testing processes

3.4.   Project Initiation

Project Initiation describes the collaboration between the Client and SpryPoint to begin the project. SpryPoint cannot start project initiation until the contracts have been fully executed.

Within 30 days of execution of the contract, **SpryPoint** will initiate an introduction call with the SpryPoint Project Manager and the Client's Project Manager to start preparation and mobilization of both teams resources in accordance with the requirements defined in this SOW.

3.4.1.   Project Initiation – Deliverables, Roles & Responsibilities

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No.	Deliverable Name	Deliverable Description	Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
			SpryPoint			Client				
1.	Mobilize Project Team	Identify and assign team members and introduce teams	A	R	I					
2.	Mobilize Client Project Team	Identify and assign team members and introduce teams				A	R	I	I	C
3.	Pre-Project Kickoff	Initial Project Managers Meeting to introduce people outline next steps, schedule meetings, and start project work	A		I	R				I
4.	Prepare project infrastructure	Send welcome information, setup shared drives and access	A			R				
5.	Initial Project Schedule	Update project plan that will be used as baseline for project, this will include a cash flow forecast for payment milestones	A			R				
6.	Project Staffing Matrix	Document which outlines an estimated number of FTEs required each month over the proposed project schedule	A			R				
7.	Project Kickoff	Formal meeting to kickoff project. This includes the following activities: • Meeting agenda • Meeting presentation	A	R	R	C	C	I	I	I
8.	Environment Setup	Provision environments and provide access for core team	A	R		R	R			

Key: R= Responsible – Assigned to complete the task/I.e you will have work to do; A = Accountable – Has final decision-making authority and accountability for completion; this person will ensure the work gets done. He/she may or may not be doing work but needs to make sure the work gets done. C = Consulted – provides input into a task and/or consulted before a decision or action; I – Informed – Must be informed after a decision or action

3.5. Analysis

The purpose of the Analysis phase is to gather the specific information needed to complete configuration of the SpryPoint Products. This phase is also used to clarify any business requirements and processes and/or identify any gaps that may exist.

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3.5.1. Analysis – Overview/System Familiarization

During this phase either before or as part of the workshops SpryPoint will complete an overview training session. The purpose of this training is to introduce the core team member to the SpryPoint product(s).

3.5.2. Analysis - Workshops

A **SpryPoint** team member will lead workshops involving appropriate **SpryPoint** project resources, and **Client** business process experts to create an Analysis Report. These workshops and the resulting documentation will work to define the future business processes and also identify any gaps between the future business processes and SpryPoint Functionality.

SpryPoint and **Client** will jointly identify and document the business processes. **SpryPoint** will provide draft copies of the Analysis Report and other documentation on an agreed upon timeframe for review by **Client** to ensure accuracy of the information gathered.

Prior to the workshops **SpryPoint** will:

- Develop Workshop schedule/agenda with input from the Client
- Prior to interviews, SpryPoint staff will familiarize themselves with the Client's legacy system using available material provided by the Client, personal interviews, and other such information as needed.

During this activity SpryPoint will:

- Conduct workshops to discuss possible organizational changes that may result from implementing the new system, and how to manage them.
- Conduct individual or group interviews to confirm current business processes, review standard configuration of the SpryPoint Service in relation to these processes, recommend process changes based on the best practices with the SpryPoint Product(s), and identify enhancements or configuration changes that are needed, or that could be mitigated by the adoption of recommended business practice changes.
  - Customer Care
  - Premises
  - Meters
  - Billing
  - Payments
  - Collections
  - Financials & Admin
  - Customer Engagement
    - Customer Communications
    - SpryEngage
  - Mobile Field Service
    - Dispatching
    - Meter activities
    - Other Long Cycle Activities

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- ▪ Backflow & Cross Connection
  - Notices
  - Testers
  - Workflow
  - Communications methods

Note: other workshop sessions may be identified and required to ensure all business needs are being met.

3.5.3.   Analysis – Integrations

During the Analysis phase requirements sessions for the in-scope integrations will be held to validate the integration requirements and identify any requirements needed to align with the go forward business processes and system solutioning.

3.5.4.   Analysis – Planning Documents

During the Analysis Phase there are several documents that are created. To create these documents SpryPoint will meet with the appropriate **Client** resources

- **Test Plan** – A document that outlines the strategy for testing. As part of the test plan testing success parameters will be agreed to with the client. For example: it will include criteria like X % of residential accounts need to be checked or 100% of industrial account with no unexplainable discrepancies
- **Training Plan** – a document that outlines the requirements for training. This includes a training matrix that can be used to plan end user training for the various user roles and courses. The **Client** will be responsible to match training needs to individual end users.
- **Security Plan** - Based on the workshops and interviews, **SpryPoint** will provide the out of the box security plan. In addition, SpryPoint provides base security roles. The **Client** will be responsible to match individual users to the security roles and will assume responsibility for the ongoing maintenance of security roles and assignments moving forward.

3.5.5.   Analysis – Data Migration

Data Conversion is a critical part of every implementation project. During the Analysis Phase workshop(s) will be held to define

- Where the data is
- What records will be converted
- What format the data will be received in
- Data cleansing options
- Parameters for data checking/validation
- How data will be mapped to the new data structure

- SpryPoint will setup a SFTP site that will be used for transferring data extraction files

This information will be gathered and documented in the data conversion strategy document.

3.5.6.   Analysis – Reporting Plan

During the Analysis Phase a Report Analysis will be completed. This analysis will be used to review the reports that the client has and what their uses are. Once this is established SpryPoint will group the report into different categories:

- No longer needed – the report will be deemed as no longer needed because either the client currently doesn't use it, or because of a business process change or the new system functionality the report is deemed unnecessary
- Match report – the report is matched to an equivalent SpryPoint Report that exists in the system to build
- Report to Build – the report will be needed going forward so SpryPoint will create the report. Note: In this category often many client reports will be replaced with one base SpryPoint report that has multiple views to meet the needs of different users

Included in the scope of this project, SpryPoint will ensure that the client has any reports that are required to meet the need of the future state business processes.

3.5.7.   Analysis – Organizational Change Management

The objective of Organization Change Management (OCM) in the Analysis phase is for the **SpryPoint** team to better understand the current state of Client, assess the organizational culture and the capacity to change.   During this phase **SpryPoint** will:

- Identify Stakeholders
- Develop OCM strategy & schedule
- Work with client to develop internal communications Plan
- Review decisions log from workshops – identify impacts to staff
- Identify training requirements

3.5.8.   Analysis – Deliverables, Roles & Responsibilities

No.	Deliverable Name	Deliverable Description	Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
			SpryPoint			Client				
1.	System Familiarization	A product overview session(s) that are designed to provide the client with a look at how the SpryPoint product(s) work before the analysis workshops	C	A		C	R			
2.	Workshop Questionnaires	Document(s) with questions that will need to be answered by the core team and are used as part of the discovery workshop sessions. Note: The SpryPoint PM may	C	A		R	R			

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No.	Deliverable Name	Deliverable Description	Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
			SpryPoint			**Client**				
		determine these are not required for the project								
3.	Topic Specific Workshops	Workshop(s) will be completed to discuss the requirements in each area and identify any gaps. An agenda will be provided for each workshop. An agenda will be provided for each workshop at least twenty-four (24) hours prior to each workshop session.	R	A		C	R			
4.	Analysis Report	A document that outlines the information gathered during the discovery. This document will outline any gaps identified during the workshops	R	A		C	C			I
5.	Analysis Report Updates	Updates to the Analysis Report with any changes/feedback from client	R	A		C	R			
6.	Analysis Report Final Review & Approval	This deliverable is the time required to for the client to review the Analysis Report and provide feedback and/or approve the document	C	C		A	R			
7.	Report Plan	This plan is used to identify which reports are required, what tool will be used to create the report and who is responsible to develop.	A	R		C	R			
8.	Test Plan	A document that outlines the testing strategy for the client's	A	R		C	C			
9.	Training Plan	A document that defines all the data that will be converted, where the data comes from and how much data is to be converted. This document defines the details and plan for conversion throughout the implementation.	A	R		C	C			
10.	Data Conversion Strategy	A document that defines all the data that will be	R	A		C	C			

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No.	Deliverable Name	Deliverable Description	SpryPoint			Client				
			Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
		converted, and where the data comes from. This document defines the details and plan for conversion throughout the implementation.								
11.	Security Plan and Baseline Roles (out of box)	A document(s) that outlines the security and the out of the box security roles.	A	R		C	C			
12.s	Security Plan Role Assignment	Updates to the document matching users to security roles	C	C		R	A			
13.	Change Management Plan	A document that outlines a strategy for Organizational Change Management	A	R		C	R			
14.	Client Communication Plan	A document that outlines recommended client communications throughout the project both internal and external	R	R		R	A			
15.	Updates to client communications plan	Go forward communication plan for employees & customers	C	C		A	R			C

Key: R= Responsible – Assigned to complete the task/I.e you will have work to do; A = Accountable – Has final decision-making authority and accountability for completion; this person will ensure the work gets done. He/she may or may not be doing work but needs to make sure the work gets done. C = Consulted – provides input into a task and/or consulted before a decision or action; I – Informed – Must be informed after a decision or action

3.6.   Configuration

The configure stage is the period in the project where the project teams work to complete the initial "setup" of the SpryPoint product(s) to meet the specific business process requirements of the Client as defined in the Analysis document.

3.6.1.   Configuration – Configuration Workbook & Workshops

To document and track the configuration, SpryPoint uses a configuration workbook. To populate the configuration workbook an agreed upon schedule of Configuration meetings are scheduled. While SpryPoint is accountable for maintaining the workbook, the client will be asked to be responsible to provide updates and input into the workbook. The purpose of the configuration workbook is as follows:

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- Provide a checklist of all required configuration
- Document configuration settings
- Show where configuration have been completed (i.e Production Environment or Staging Environment)

At this point in the project this will be referred to as the initial configuration. As **SpryPoint** works with the client through the testing and data conversion activities changes to configuration may be required. SpryPoint will be responsible to ensure the configuration is updated with these changes.

3.6.1.1. Other Configuration Items

Other items required to be configured during this phase are:

- **Bill Statement** - **SpryPoint** will work with appropriate **Client** project team members to analyze and document all the requirements and specifications for the bill print or integration to bill presentment provider.
- **Service Orders** - **SpryPoint** will gather requirements for developing **Client**'s Service Order processes including service types.
- **Letters & Templates** – Report deliverables (letters) will be created by **SpryPoint** with respect to the **Client** logo, contact information, return address and text. **Client** will supply the logo, contact information, return address, and text to **SpryPoint** for development of the letters. Some examples include:
  - Welcome Letter
  - Delinquent
  - Disconnection / Cut-off Notice
  - Returned Check
  - Payment Arrangement
  - Bankruptcy

**Note During implementation SpryPoint will work with the client to build and deliver all letter(s) and template(s) that are required to meet the needs of identified business processes.

3.6.2.   Configuration – Data Migration

SpryPoint uses an agile project approach during the data migration process. This approach allows for an iterative approach that starts with a subset of data elements and conversion goals. As the goal for each iteration are met additional data elements are added. It should be noted that while SpryPoint will complete conversion until the data is correct, any more than 4 conversions can result in schedule delays.

3.6.2.1. Data Mapping

Before data can be extracted from the legacy system or imported into the various SpryPoint products, data mapping document must be completed. SpryPoint will provide a document outlining all the data points that need to be mapped. The client will be responsible to fill out required information about their legacy system in this document.

It is agreed that SpryPoint will convert 3 full calendar years plus the number of months to go live of history into SpryCIS.

The following table provides specific details of the objects to be converted where the agreed time is 3 full calendar years plus the number of months to go live of history.

SpryCIS Objects to Convert

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Object	Details
Customers	Active customers with balances within the specific time limits, including relationships (i.e landlords/tenants). This also includes customer addresses and contact information Note: in the agreed time if there are inactive customers with balances these will be included in conversion.
Premises	All active premises in the agreed time. Note active premises will be converted from the legacy CIS.
Accounts	Active accounts only within the time range and inactive accounts with a balance and inactive accounts that have historical activity and/or has been closed in the agreed time
Meters	All active meters within the agreed time range, regardless of account status.
Service Points	Active service points within the agreed time range
Meter Readings	For all converted meters per the agreed time
AR Balance	All active account balances within agreed time
Service Orders	All active service orders within the agreed time frame.
Bill History	Includes transactional data for any active accounts, inactive accounts with historical transactions within the agreed time period.
Deposits	If applicable, active deposit values will be converted
Equipment	All active equipment
Remotes	All active meters within the agreed time range, regardless of account status (If applicable)

SpryBackflow Objects to Convert

Object	Details
Backflow Assemblies	All active backflow assemblies and if applicable, any devices not yet installed but maintained in Client inventory

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Backflow Tests	Backflow tests within the agreed time frame
Backflow Testers	All active backflow testers

Additional history can be brought into the SpryCIS Archive Data Store. The Archive Data Store allows for inquiry and retrieval of historical, non-editable transactional data within the SpryCIS application.

3.6.2.2. Data Extraction

The Client is responsible to complete all data extractions activities as per the data conversion plan and schedule. SpryPoint will provide details on the required data formats and will work with the client to ensure that it is a format that the client can produce. Extracted data files will be placed on an SFTP site. Only those with access to the SFTP site will be able to access the extracted data files.

3.6.2.3. Data Migration, Iterations & Refreshes

SpryPoint will design, develop, and create validation processes (for example, dollars AR balances, meter reads, consumption, record counts). The process starts with extracting and importing core data elements, and then with each conversion iteration, additional data elements will be added. After each conversion iteration, data validation reports will be provided to the client to review and sign off on. During the conversion process the client is expected to provide extracted data in mutually agreed to format(s). SpryPoint will be responsible to import the data into the SpryPoint solution(s). In addition to this the client is expected to complete Data Acceptance Testing. SpryPoint will run the data conversion programs and provide reports to assist the client with data quality validation – for example reconciliation reports (extracted = loaded).

3.6.2.3.1.   Iteration 1A

This is the initial data extraction and as a result is the first test of the data mapping. When this iteration of data is completed, users will be able:

- Review client data in SpryPoint solution on the following record types
    - Accounts
    - Customers
    - Premises
    - Services
    - Service Points
    - Meters
    - Service Agreements
    - Billing Agreements
    - Meter Reads
- Complete data acceptance testing
- Create bills, install meters, create billing & service agreements

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Note: There may be multiple sub iterations required to complete to achieve the above

3.6.2.3.2. Iteration 2

The goal of this iteration is to fix issues found during the first iterations (1A, 1B, 1C) and additional record types required to start bill validation testing and other product testing. The following activities must be completed before iteration 2 can be completed:

- Completion of iteration 1 data conversion and data acceptance testing
- Completion of data cleansing activities identified in iteration 1
- Completed configuration adjustments identified

Upon the completion of iteration 2, users will be able to see and review:

- Client data in SpryPoint solution to include:
- Updated records from iteration 1 and transaction history and deposit records
- Complete data acceptance testing
- Complete Bill Validation Testing

Note: There may be multiple sub iterations required to complete to achieve the above

3.6.2.3.3. Iteration 3

The goal of iteration 3 is to fix issues identified in the previous iteration and convert any remaining records identified in the data conversion mapping document that have not been converted yet.

To complete iteration 3; the following prerequisites are required to be completed:

- Completion of iteration 2 data conversion and data acceptance testing
- Completion of data cleansing activities identified in iteration
- Completed configuration adjustments identified

Upon completion of iteration 3, users will be able to:

- Address any edge cases or record types that have not been previously completed
- Complete User Acceptance Testing
- Complete Mock Go Live between iteration 3 and 4

Note: There may be multiple sub iterations required to complete to achieve the above

3.6.2.3.4. Iteration 4

The goal of this iteration is to support go live.

In between data iterations, one or multiple data refreshes may be completed. Data refreshes can be requested by any project member but the final decision maker of whether to complete the refresh is the SpryPoint Project Manager. A data refresh is defined as the rerunning of the conversion processes using more recently extracted data. Another key tenet of a data refresh is that extract routine, conversion script, and/or, mapping changes will be minimal in comparison to a full iteration. A minor change is defined as script change that takes less then 1 hour to fix, such as fixing a mapping to support an edge case; adding handling for meter switches; changing rate mapping.

Depending on the quality of the data each SpryPoint product may require a different number of data iterations. For example, SpryBackflow may only require 2 major data iterations while SpryCIS may require 4 data iterations.

3.6.2.4. Data Cleansing
During the data migration process there will be requirements to clean up data, this will be referred to as data cleansing. There will be several methods used to complete this cleansing activity. The main ones are:

- Correct during the extraction – In some instances it is easiest to correct the data using scripting on the export from legacy system
- Correct during the import process – In some instances it is easiest to correct the data using scripting on the import into the SpryPoint product(s)
- Manual correction in legacy system- In some instances, the client will be asked to correct the data in the legacy system
- Correction in SpryPoint Product(s) – In some instances. The client and/or SpryPoint Consultant will be asked to correct the data in the SpryPoint Product(s). This may be completed manually or by scripting.

SpryPoint will work with the client to decide the best approach on how data cleansing will be conducted and which of the above methods will be used or if an alternative method is required. SpryPoint and the client will work together to come to a mutually agreed decision that is in the best interest of the project.

3.6.2.5. Data Acceptance Testing
After each data migration SpryPoint will provide data validation reports that will outline what data has been converted, control totals and areas of concern, areas where data cleansing may need to occur or any other data abnormalities.

The client will be required to review these reports with SpryPoint. In addition, the client will be required to complete data acceptance testing. SpryPoint will provide checklists to use as guides for data acceptance testing. The client is required to review and validate data for all records as outlined in the data conversion plan.

3.6.3.   Configuration – Integrations & Enhancements
During the configuration stage requirement documents will be created for each interface, and enhancement that are included in this scope of work. These documents will include more detailed information on the interface, or enhancement. The document(s) will be provided to the client to review, provide feedback, and sign off on. Once the specification is signed off on then it will be scheduled with the development team for completion. Also, during this process each identified interface, and/or enhancement will be identified as required for go live or not. This information will be used to help prioritize the delivery of this work.

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3.6.3.1. Interfaces

During the contracting process in scope interfaces were identified and a high-level description of the functionally has been outlined in this document. To see a complete list of Interfaces and their description included in the scope of the project click here.

Note: If interfaces not listed in this document are identified or requested, they will be deemed out of scope and the change order process will be initiated.

3.6.3.2. Enhancements

During the contracting process in scope product enhancements were identified and a high-level description of the functionality has been outlined in this document. To see a complete list of Enhancements included in scope of this project click here.

Note: If enhancements not listed in this document are identified or requested, they will be deemed out of scope and the change order process will be initiated.

3.6.4. Configuration – Core Team Training

To assist with the **Client**'s Core Team Members understanding of the SpryPoint product(s) **SpryPoint** will provide Core Team Training. This training is designed to give the Core Team members a full understanding of how to use the SpryPoint Product(s). As part of this end-to-end system training, SpryPoint will provide the Client copies of the training presentations and student workbooks. During the training activities, assessments will be completed to help reinforce key concepts. Training material during core team training will be based on the out of the box system functionality and may include functionality that is not applicable to you. However, SpryPoint will provide the client Microsoft Word versions of the training material so they may edit the documentation with specific details about their user of the system.

3.6.5. Configuration – Reports

During configuration any reports and dashboards identified as required for go live in the Report Plan will be developed

As identified in the Report Plan, SpyPoint will work with the client to build/configure:
- Dashboard – SpryPoint will work with Client to configure a Customer Service Dashboard of key metrics using Metabase.
- Reports - SpryPoint will work with appropriate Client project team members to modify existing reports or write new reports using out of the box reporting tool and Metabase.

3.6.6. Configuration – Security & Roles

Based on the security plan, the client will be responsible to assign security roles to users. The client can either use the out of the box security roles or they can create their own. When new functionality is released, SpryPoint is responsible to update the out of the box security roles only. If the client has created their own custom security roles, they will be responsible to update any security related to new features into these roles.

3.6.7. Configuration – Organization Change Management

The objective of OCM in the Configuration phase is to drive change results. Activities will include effective communication strategies, execution of action plans, tracking and

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evaluation, and formation of strong and effective team structures to achieve project success. The main activities involved in delivering the change include:

- Communicating the change
- Identifying and managing resistance
- Develop Change Impact Document

3.6.8. Configuration – Deliverables, Roles & Responsibilities

No.	Deliverable Name	Deliverable Description	Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
			SpryPoint			Client				
1.	Configuration Workshops	Workshops that are held on an agreed upon schedule to determine the initial configuration requirements	R	A		C	R			
2.	Configuration Workbook Completed	The configuration workbook is filled out for the initial round of configuration	R	A		I	R			
3.	System Configuration(s)	The process to complete configuration in environments	R	A		C	R			
4.	Integration Requirements Document Fleet Routing & Tracking Software (Fleet Mind)	A document that outlines the requirement for the particular in scope integration.	A	R		C	R			
5.	Integration Requirements Document GL & AP	A document that outlines the requirement for the particular in scope integration.	A	R		C	R			
6.	Core Team Training	Full system training provided to core team members per the training plan that ensures the core team understand how the SpryPoint product(s) works		A		R	R			
7.	Enhancement Requirements Document(s)	If there are enhancements included in scope, this document validates the business use case and captures the requirements business of how this feature will work. If there are multiple enhancements one document will be completed for each	A	R		C	R			

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No.	Deliverable Name	Deliverable Description	SpryPoint			Client				
			Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
8.	Data Mapping Document	A spreadsheet that maps each field being converted from the legacy system to a field in an appropriate in scope SpryPoint product	C	A		C	R			
9.	Data Extraction from legacy system	The activities required to get data out of the client's legacy system	C	C		R	A			
10.	Data Import into SpryPoint Product(s)	The activities required to bring data into the SpryPoint product(s)	A	R		C	C			
11.	Data Conversion Results Report	The report(s) that is generated after the data conversion round is completed	A	R		C	C			
12.	Data Conversion Results Review	A meeting(s) to discuss the data conversion results and answer any questions, issues or concerns	A	R		R	R			
13.	Data Acceptance Checklist	A list of recommended parameters and data that needs to be tested after data conversion	A	R		R	R			
14.	Data Acceptance Testing	Testing that is completed by the client to check and validate the data that has been converted.	C	R		R	A			
15.	Data Cleansing Activities & Decisions	Identified data that must be cleansed and the approach that will be used to clean the data** see Data Cleansing Section above.	C	A		C	R			
16.	Reports & Dashboards	Build/Configure reports and Dashboard as determined by the report plan	R	A		C	R			
17.	Security Configuration	The process of assigning users to security roles		C		A	R			
18.	System Ready for Testing	Initial system configuration completed and system ready for testing	A	R		R	R			
19.	Communications Document Updates	Complete any updates to the internal and external communication document and/or the strategy document	A	R		R	R			
20.	OCM Change Impact Document	A document that outlines the changes highlights the impacts, risks, training	A	R		R	R			

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No.	Deliverable Name	Deliverable Description	Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
			SpryPoint			Client				
		method, etc for the impacted users								

Key: R= Responsible – Assigned to complete the task/I.e you will have work to do; A = Accountable – Has final decision-making authority and accountability for completion; this person will ensure the work gets done. He/she may or may not be doing work but needs to make sure the work gets done. C = Consulted – provides input into a task and/or consulted before a decision or action; I – Informed – Must be informed after a decision or action

3.7. Test

The Test phase's primary focus is on testing and training. Thorough testing is the key to mitigating risk and gaining user confidence in the new business processes. This completed through SpryPoint's systematic and thorough testing and training. SpryPoint's iterative testing methodology adds a layer of thoroughness at each step, building on the success of the previous steps.

3.7.1. Test – Test Scripts

A test case is a document that outlines an element or scenario to be completed during a specific test cycle (feature, function, interface, etc.). Each test case must meet the following requirements:

- Uniquely numbered and named
- Identifies the functional/business domain recommended to be tested
- Describes the testing purpose
- Specifies the environment to be used
- Outlines any dependencies

SpryPoint will provide out of the box test scripts based on the standard business processes. The client will be responsible to modify test scripts to meet their custom needs. SpryPoint will be available to review, answer questions and provide recommendations for custom test scripts.

3.7.2. Test – Training Material

To assist the Client's Testing Team Members with understanding of the SpryPoint product(s); SpryPoint will provide end to end system training. As part of the training, SpryPoint will provide the Client copies of the training presentations and student workbooks. Throughout training, activities and assessments will be completed to help reinforce key concepts. Training material used during tester training will be localized to use client data for hands on exercises and will only contain details about system functionality that is being used as part of the go forward business processes.

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3.7.3. Test – Tester Training

To ensure the project team has captured as many scenarios as possible and addressed all business cases it is important that other users be identified and that they perform testing during User Acceptance Testing. **SpryPoint** is responsible to ensure users receive the required training, so they have the tools required to complete their assigned testing.

Although **SpryPoint** is responsible to provide the training, it is highly recommended that a core team member be part of the training session to help facilitate buy in of the new functionality and business processes.

3.7.4. Test – Enhancement Testing

Enhancement Testing is the stand-alone testing of the system enhancements, performed during development, by the SpryPoint developers and Implementation specialists.

SpryPoint is responsible to test enhancement to ensure they meet the requirements as outlined in the requirements document(s).

3.7.5. Test – Integration Testing

Integrated Testing will focus on these five main areas:

- Core integrated testing which tests major batch processes;
- Financial scenarios which focus on validating financial transactions;
- Integrated testing scenarios inclusive of primary and secondary scenarios;
- Unit testing interfaces and modifications;
- Unit testing reports and bill prints.

3.7.6. Test – Functional Testing

The main purpose of the Functional Testing step is to establish that decisions made during the configuration phase of the project will be in line with **Client**'s business requirements. Functional Testing utilizes scenarios based on industry best practice. To facilitate functional testing, **SpryPoint** and **Client** will test scenarios as broken into two categories:

- **Primary Scenarios -** These scenarios involve functionality relating to the core business processes and are the most common end-user functionality, such as move-ins, move-outs, billing and collections.
- **Secondary Scenarios -** These scenarios involve testing a broader spectrum of functionality designed to test unique, Client-specific functionality and infrequent or less common processes.

3.7.7. Test – User Acceptance Testing

User Acceptance Testing cannot be deemed completed or accepted until all objects including, but not limited to configuration, data migration, reports, modifications, interfaces, business processes and user security have been accepted by Client and deemed ready for go live.

Note: In some cases, there may be a reason why an item may not be available during user acceptance testing. If this occurs this item(s) needs to be documented with a plan to validate the item(s).

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During User Acceptance Testing the Client will be accountable to complete any required testing, however, the SpryPoint team will be available to answer questions and help resolve any questions, issues, or concerns.

The client's identified testers will complete the test cases as defined in the approved test script list and agree to complete testing to meet the parameters defined in the test plan. If tests fail, SpryPoint resources will be available to help and answer questions and/or work with the customer to fix the issues. Once SpryPoint has deemed the issue fixed, the client will be required to retest.

3.7.8.   Test – Organizational Change Management

The objective of OCM activities in the Test phase is to complete **Client** transformation from the as-is to the to-be and embed all business changes. Activities will begin towards the end of the training sessions and continues into post go-live. **SpryPoint** will use an agile approach to monitor user adoption of new business processes throughout cutover and post go-live.

- Modify OCM plan as needed
- Modify communications plan as needed
- Assist in development of transition plan

3.7.9.   Test – Deliverables, Roles & Responsibilities

No.	Deliverable Name	Deliverable Description	Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
			SpryPoint			Client				
1.	Tester Training	Training provided to any non-core team users that will be involved in testing activities	R	A		R	R	R		
2.	Data Refreshes	An updated data conversion iteration that is used to support testing	R	A		C				
3.	Provide Test Scripts	Provide out of box test scripts based on standard business processes	A	R		C	C			
4.	Update Test Scripts	Activities required to update out of box test scripts to match **Client**'s future state and edge cases	C	C		A	R			
5.	Execute Bill Validation Testing	Activities required to complete a round of bill validation testing	R	A		R	R			
6.	Bill Validation – Issue Corrections	Correction of issues found during bill validation. This	R	A		R	R			

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No.	Deliverable Name	Deliverable Description	SpryPoint			Client				
			Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
		could be in the form of changes to configuration, training for client, development, etc								
7.	Bill Validation Testing Acceptance	A sign off provided by the client that represents acknowledgment that the client has reviewed the testing results and approves the results of the testing round	C	C		A	R			
8.	Execute Integration Testing	Activities required to complete a round of integration testing	A	R		R	R			
9.	Integration Testing – Issue Resolution	Correction of issues found during integrated testing. This could be in the form of changes to configuration, training for client, development, etc	A	R		R	R			
10.	Integration Testing Signoff	A sign off provided by the client that represents acknowledgment that the client has review the testing results and approves the results of the testing round	C	C		A	R			
11.	Execute Functional Testing	Activities required to complete a round of functional testing	A	R		R	R			
12.	Functional Testing – Issue Resolution	Correction of issues found during functional testing. This could be in the form of changes to configuration, training for client, development, etc	A	R		R	R			
13.	Functional Testing Signoff	A sign off provided by the client that represents acknowledgment that the client has review the testing results and approves the results of the testing round	C	C		A	R			
14.	Execute User Acceptance Testing	Final testing performed by the client Key Users and any identified testers prior to system sign-off. Security, Modifications and Reports testing will be performed as part of UAT.	R	R		A	R	R		

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No.	Deliverable Name	Deliverable Description	Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
			SpryPoint			Client				
15.	User Acceptance Testing – Issue Resolution	Correction of issues found during user acceptance testing. This could be in the form of changes to configuration, training for client, development, etc	A	R		C	C	R		
16.	User Acceptance Testing Signoff	A sign off provided by the client that represents acknowledgment that the client has completed user acceptance testing and approves the results of the testing	C	C		A	R	R		
17.	Enhancement Testing	Testing of any in scope enhancements to ensure they meet the documented requirements	A	R		I				

Key: R= Responsible – Assigned to complete the task/I.e you will have work to do; A = Accountable – Has final decision-making authority and accountability for completion; this person will ensure the work gets done. He/she may or may not be doing work but needs to make sure the work gets done. C = Consulted – provides input into a task and/or consulted before a decision or action; I – Informed – Must be informed after a decision or action

3.8. Deploy

The Deploy phase is the point at which Client and SpryPoint decide whether all critical pieces are in place to turn the system over to production. This phase includes a production readiness evaluation, cutover planning, and remaining end user training.

SpryPoint and Client will develop a Cutover Plan prior to the proposed Go-live date. SpryPoint and Client will stage all aspects of the system in preparation for production cutover.

The Production Readiness phase focuses on four critical areas:

1. **Application Readiness**. Is the application tested and ready for production? This includes modifications, interfaces, and reports needed to run in full operations.
2. **Data Readiness**. Is the data conversion ready for operations? Have all data cleansing issues been resolved or planned for during the cutover period?
3. **Process Readiness**. Have the business processes been reviewed? Have all business process-reengineering tasks been completed and made ready for operations?
4. **Resource Readiness**. Are all the end-users trained? Is Client's staff trained to deal with problem-solving during the business cycle?

3.8.1. Deploy – Prerequisites

To go live the following criteria must be met:

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- User Acceptance Testing must be completed and signed off
- All issues marked as required for go live (i.e. all Business Critical Reports) must be completed and signed off
- All product enhancements and integrations marked as required for go live must be completed, tested, and signed off
- Converted data has been validated, balances, any discrepancies can be explained and signed off on
- Required training is completed and signed off on

Note: the above list is the standard agreement, however, in some cases there may be item(s) that may not be accomplished until go live. Any desired expectation(s) beyond this list need to be documented with an outlined plan (including relevant details). This plan must be agreed upon by both parties.

3.8.2. Deploy – Cutover Plan

SpryPoint will develop a Cutover Plan which outlines all issues pertaining to the achievement of operational stability. The plan is based on experiences gathered from other SpryPoint production cutovers, an on-going evaluation of best practices in the industry, and specific issues that arose during the configuration and testing of the software for Client.

If there are mutually agreed issues that have been identified to resolve post go live, the cutover plan will include the following information:

- Details of any workaround that will need to be used until the permanent resolution is in place
- Details of the permanent resolution

3.8.3. SpryPoint Internal Go/No Go Decision

This is a critical decision point in the project, where the state of the project is reviewed against the Deploy Prerequisite to determine the readiness for go live. This step should occur approximately 30 days before Go Live. If the Client has specific needs that more than 30 days' notice is required, this decision point should occur further out than 30 days before.

An internal meeting with the SpryPoint Project Team, SpryPoint Executive Sponsor and other SpryPoint Stakeholders to discuss the project and evaluate go live readiness. If this meeting results in a Go Decision a Client Go/No Go meeting is scheduled. In the event a no results from this meeting a meeting will be scheduled with the Client's Executive Sponsor and Key Stakeholder to discuss the concerns and proposed action plan.

3.8.4. Client Go/No Go Decision

When a Go Decision results for the SpryPoint Internal meeting, the project status, risk, cutover plan is discussed with the Client's Project Team, Executive Sponsor and any Key Stakeholders. If the client makes a go decision, plans for the cutover are finalized. If the client makes a no-go decision SpryPoint and the Client will work together to determine if the change is in or out of scope, and the appropriate actions will be taken to resolve the issues/concerns.

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3.8.5. Deploy – End User Training Material

To assist the **Client**'s End User with understanding of the SpryPoint product(s); **SpryPoint** will provide end to end system training. As part of training, **SpryPoint** will provide the **Client** copies of the training presentations and student workbooks. During training, activities and assessments will be completed to help reinforce key concepts. Training material used during end user training will be localized to use client data for hands on exercises and will only contain details about system functionality that is being used as part of Client's go forward business processes.

3.8.6. Deploy – End User Training

The end-user training will be performed by **SpryPoint** staff, with the assistance of one or more Client core team members. The **SpryPoint** instructor will supply the detailed knowledge of the applications being taught, and the **Client** functional resource will bring the detailed knowledge of **Client** processes to the classroom. The **SpryPoint** instructor will lead the instruction with the Client resource attending to clarify any process or procedure questions specific to their environment.

While SpryPoint will make every effort to complete end user training as close to go live as possible, there may still be a period between training and go live. As a result, the client agrees to establish a practice lab and a schedule where trained users are schedule and required to spend time practicing what they have been trained on.

3.8.7. Deploy – Mock Go Live

The Mock Go Live acts as a dress rehearsal for the actual go live weekend and Monday morning activities. This practice run is used to ensure everyone understands their roles and responsibilities for the actual go live. In addition, it allows SpryPoint to validate the schedule and timings for the cutover weekend. This includes any manual entries required after the completed conversion and validation of all reporting. Some users will be asked to run testing to ensure they understand what is going to open when the business opens on Monday morning.

3.8.8. Deploy – Customer & Vendor Notifications

As the client prepares for go live the client may need to notify customers, vendors and other third parties of the system go live. It will be the responsibility of the client to prepare and complete these notifications. However, SpryPoint can be used as a resource to talk about their experiences in what other clients have done.

3.8.9. Deploy – Go Live

This phase includes the system shutdown time when the cut-over to production occurs. Most of this work is performed when the office is closed. During this time, the final data conversion is completed, and all other steps as identified in the cut-over plan are completed, and validation is performed to ensure everything is in place to open the office.

3.8.10. Deploy - Deliverable(s), Roles & Responsibilities

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No.	Deliverable Name	Deliverable Description	SpryPoint			Client				
			Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
1.	Cutover Plan	A document that outlines the plan for cutover, including any schedules and checklists for the go live weekend.	A	R	I	R	R	R		I
2.	SpryPoint Internal Go/No Decision	An internal SpryPoint meeting where the client's readiness for go live is reviewed	A	R	R	I				
3.	Client Go/No Go Decision	A meeting with the client to review their readiness for go live, upon the acceptance of prerequisite activities, that gives the approval to move forward with the go live	A	R	R	R	R	R		R
4.	End User Training	Training for users is teaching them how to use the SpryPoint products, as identified in the training plan.	C	A		C	R		R	
5.	Customer/Vendor Notifications	Notice of go live for any customers, vendors, and other interested parties of the go-live planned date	I	I		A	R		I	C
6.	Schedule Practice Sessions for Trained End Users	A schedule that assigns system practice time to trained users				A	C		R	
7.	Practice Lab	A space where trained end users can go to use the SpryPoint Product(s) and practice their system skills				A	R			I
8.	Practice Session(s)	The time an end user(s) spends practicing what they learned in training sessions				C	R		A	
9.	Mock Go Live	A complete dress rehearsal of the go live activities to ensure all parties understand their role in go live.	A	R		R	R			I
10.	Final Data Conversion Exports	All activities required to complete the final data conversion exports from the legacy system	C	C		R	A			
11.	Final Data Conversion Imports	All activities required to complete the final data conversion import in the production system	R	A		C	C			
12.	Cutover Activities	Complete all cutover activities as defined in the cutover plan	A	R	I	R	R		R	I

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No.	Deliverable Name	Deliverable Description	Project Manager	Implementation Specialist (s)	Executive Sponsor	Project Manger	Core Team	Testers	End Users	Executive Sponsor
			SpryPoint			Client				
13.	Issues Log Updates	The issues log that gets updated with any issues that occur during cutover	A	R		R	R			
14.	Cutover Signoff	A document that confirms that the system is ready for production use and that the client is ready to begin using the SpryPoint solution(s) as the system of record	R	R	I	A	R			C

Key: R= Responsible – Assigned to complete the task/I.e you will have work to do; A = Accountable – Has final decision-making authority and accountability for completion; this person will ensure the work gets done. He/she may or may not be doing work but needs to make sure the work gets done. C = Consulted – provides input into a task and/or consulted before a decision or action; I – Informed – Must be informed after a decision or action

3.9.   Operate

The purpose of this phase is to ensure complete and successful transfer to the new customer information system as well as the other applications included in the project scope and provide **Client** with direct access to the implementation team personnel. The **SpryPoint** implementation team will work together with your production staff to ensure the systems are well understood and functioning properly.

3.9.1.   Operate – Post Go Live Support

This is the initial period after go live where the client's focus is on system stabilization. The post go live/stabilization period will last 90 days with the goal to complete 2 full billing cycles (assuming monthly billing cycle).

During this period, the client is using the SpryPoint product(s) to complete their day-to-day responsibilities and run their business. The SpryPoint implementation team is available to the client to answer questions, provide refresher training, manage, and resolve all application issues (configuration, training, and defects, etc.), resolve all post-production issues as well as any go-live deferred functionality, provide support of the business process review activities and how to best achieve the desired improvements.

At the end of the post go live stabilization period a punch list is created. This list contains:
- Any issues and their priority still open at the end to the stabilization period
- Any SOW items that were not delivered prior to go live
- Any additional reports required and agreed to as part of scope

3.9.2.   Operate – Transition to Customer Success

After the post go live period has been completed and all priority 1 and 2 issues have been resolved we will transition the client to the Customer Success team. The transition involves a SpryPoint internal knowledge transfer between the Service Delivery and Customer

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Success Teams and an introduction meeting with the client, SpryPoint Project Manager, and the SpryPoint Customer Success Team. Once the transition to the Customer Success team has occurred the SpryPoint implementation team will continue to be accountable for the resolution of all items on the punchlist and the Customer Success Team will be accountable for any new issues.

3.9.3.   Operate – System Acceptance & Project Close Out

The project close out is the point of the project where both parties agree that all project deliverables have be completed per the Statement of Work and the Implementation portion of the contract is completed, the system is deemed accepted by the Client and the project is closed.

This occurs when the following are met:

1. All of the service deliverables identified within this SOW have been completed, delivered and accepted by written notification of the client, within the agreed upon timeframe, including approved Change Orders impacting the SOW;

2. All punch-list items priority 1, 2 and a plan for delivery of priority 3 are delivered to the client. Client agrees to test all delivered priority 1 and priority 2 items within 15 business days and provide written details of any concerns should they arise. SpryPoint will agree to a one-time extension of up to 15 business days, upon a written request from the client. If no written details or concerns are provided by Client within the 15-business day period, the items will be considered approved

   OR

3. If client has been cutover and is using the system in a production environment as per section 3.7.7 for longer than 6 months with no written documentation of issues related to the scope included in this SOW.

3.9.4.   Operate – Deliverables, Roles, & Responsibilities

No.	Deliverable Name	Deliverable Description	Project Manager	Implementation Specialist (s)	Customer Success Team	Project Manager	Core Team	Testers	End Users	Executive Sponsor
			SpryPoint			Client				
1.	Refresher Training	Any identified and agreed upon refresher training completed	A	R		R	R		R	
2.	Transition Documentation	SpryPoint Internal Documentation used to provide the Customer Success Team information about the client and their project	A	R	R					

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No.	Deliverable Name	Deliverable Description	SpryPoint			Client				
			Project Manager	Implementation Specialist (s)	Customer Success Team	Project Manager	Core Team	Testers	End Users	Executive Sponsor
3.	Transition to Customer Success Internal Meeting	A SpryPoint internal knowledge transition meeting to review the project details	A	R	R	I				
4.	Transition to Customer Success Meeting	A meeting held with SpryPoint to introduce them to the Customer Success Team and how they work with them	A	R	R	R	R			I
5.	Finalize Punchlist	A document that lists any open items that need to be resolved as part of the scope of the product	A	R	I	R	R			
6.	Signoff on Punchlist	Acknowledgement, by the client that they have reviewed the punchlist and they agree to it	R			A	R			I
7.	Project Close Out Document	A document that summarizes project details	A	R		R	R			
8.	Project Close Out Signoff	Acknowledgement, by the client that all SOW deliverables have be completed and the project has been signed off and closed.	I			A	R			C

Key: R= Responsible – Assigned to complete the task/I.e you will have work to do; A = Accountable – Has final decision-making authority and accountability for completion; this person will ensure the work gets done. He/she may or may not be doing work but needs to make sure the work gets done. C = Consulted – provides input into a task and/or consulted before a decision or action; I – Informed – Must be informed after a decision or action

3.10. Project Governance

3.10.1. Project Management

SpryPoint uses a highly structured and layered project management methodology, which relies on detailed and complete project plans, to determine who is working on what tasks, and when, throughout the life of the project. Central to **SpryPoint**'s philosophy is maintaining strong communication throughout the teams, setting expectations early, facilitating and coaching as required and monitoring progress.

SpryPoint will provide a Project Manager throughout the life of the project who will work directly with **Client**'s Project Manager and the joint team to ensure that all project responsibilities are met.

SpryPoint and Client Project Managers shall be responsible for the planning and execution of the project. They shall work collaboratively to manage all project activities from project management activities, including planning and execution, the delivery of change

management, and project communications throughout the project. The client's project manager is ultimately accountable for the client's resources, project tasks and internal project plans and SpryPoint's project manager is accountable for our resources and project tasks. Both project managers will need to work together and retain the authority for day-to-day project decisions and ensure project success.

3.10.2. Project Communications & Tools

The SpryPoint Project Manager, working in conjunction with the Client Project Manager, will compile status reports for distribution to both Client and SpryPoint management. Weekly meetings will be held to review overall status, schedule, and open issues noted in the status report.

As the implementation experts SpryPoint agrees to communicate clearly which issues/tasks are on the critical path and have immediate impact on the project schedule and which issues/tasks are not. For issues that are not on the critical path the SpryPoint Project Manager will monitor these to ensure that these do not become critical path issues/tasks.

Communication Method	Frequency	Tool/Method	Attendees
Project Team Status Meetings	Every second week	Zoom & Google Docs/PDF	Both PMs, Client Core Team Meetings, SpryPoint Project Team (as required)
Project Status Reports	Monthly	PDF	N/A
Updates to the project plan	Bi-Monthly	Wrike	N/A
PM Status meeting	Weekly	Zoom	SpryPoint PM, Client PM,
Risk Log	Bi-Monthly	Google Sheet	N/A
Executive Steering Committee	Monthly	Zoom	SpryPoint PM, Client PM, SpryPoint Executive Sponsor, Client Executive Sponsor
Issue Log	Weekly	Google Sheet	N/A

With the understanding that both SpryPoint and the client are working with the joint interest in doing what is best for the project the table above outlines the standard agreement for communications. If major project events occur, or at a critical point in the project that require addition communications, updates, or meetings, both parties can mutually agree to the additional activities at no extra cost to the client.

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3.10.3.   Acceptance Period

To facilitate the project schedule and project planning it is important both parties agree to a default acceptance period of 5 business days. While this will be the default time, either party can proactively ask for a longer time if the time is not sufficient or ask for an extension. The SpryPoint Project Manager will evaluate any timeline extensions against the project schedule and communicate if the extension puts the project schedule at risk.

3.10.4.   Agreed Priority Definitions

During the implementation the following definition will be used to define the priority of issues

- **Priority 1 (Critical)** – A critical business function is not functioning correctly or is not available. Manual processes or other alternatives are not possible. Continued functionality of related downstream processes is not possible, as the downstream business functions will also be severely affected. i.e the business cannot function
- **Priority 2 (High)** – A critical business function is not functioning correctly or is severely impaired. Manual processes or other alternatives are possible but may not be practical. Continued processing of related downstream business process may be possible without extending the error to downstream business functions.
- **Priority 3 (Medium)** – A non-critical business function is not functioning correctly or is severely impaired. Manual processes or other alternatives are possible. Continued process of related downstream business process may be possible without extending the error to downstream business functions.
- **Priority 4 (Low)** – A nice to have or an issue that has minimal impact to the general customer population or that affect individual users.

3.10.5.   Milestone Acceptance Process

This project will be invoiced on a milestone basis. The milestones, delivery criteria and payment can be found here.

On a monthly basis the SpryPoint Project Manager will submit a list of milestones that have been completed for review and approval to client Project Manager. Service deliverables shall be accepted or rejected within 5 consecutive business days from the time of submittal for acceptance. Service deliverables will be considered accepted in the absence of a response of acceptance within this specified time.

The Service Deliverable Acceptance Process is described below.

- **Submission of Service Deliverables**. The SpryPoint Project Manager, or his or her designee, will prepare a list of completed milestone and forward with the respective service deliverable to Client Project Manager, or Client designee, for consideration.
- **Assessment of Service Deliverables**. The Clients' Project Manager will determine whether the service deliverable meet the requirements as defined in this SOW and that the service deliverable is complete.
- **Acceptance / Rejection**. After reviewing, the client will either; accept the service deliverable in writing or will provide a written reason for rejecting it to the SpryPoint Project Manager. If the Milestone is accepted the SpryPoint Project Manager will invoice for the milestone(s). If the milestone is rejected the SpryPoint Project Manager will review the reason and work with the Client Project Manager to determine if the rejected reason is within scope and if so, resolve any concerns. Once concerns are addressed the milestone acceptance form will be updated and resubmitted for approval in the next month invoicing cycle.

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3.10.6. Scope & Project Change Management

During implementation either party may request additions, deletions, or modifications to the services or software described in this SOW ("change"). All changes will be documented and approved, regardless of if there is a cost associated with the change or not.

Request for changes should be made to either project team's project manager. The SpryPoint Project Manager, who will create a Change Order. The change order will outline the following:

- Describe the problem that needs to be solved or the scope change to be addressed
- Describe the solution to the problem or scope change being requested, including the use/business case and/or reason for the change and suggested solution
- Estimated impact of the change on the project schedule
- If applicable, any fees/cost and expenses associated the change

The Change Order Process that will be employed is defined below. The change order must be approved by both SpryPoint and the client before any work related to this change order is completed.

- Identify the requested change
- Identify and document the solution and scope of work associated with the change request
- Estimate required effort, and any associated costs
- Assess impact of change on schedule, travel fees, milestones, contract, risks and/or any other identified impacts.
- Submit for review and approval by Client and SpryPoint Management Team
- If not approved no changes are completed and the change order is canceled
- If approved project documents are updated and work on the change order is scheduled into the project.
- Monitor and report progress
- Communicate change resolution

During the implementation, work to execute the approved project change orders will be completed at a price of $200 USD per hour.

3.10.7. Monthly Project Status Report

SpryPoint will provide a Monthly Project Status Report that will contain the following information:

- Completed, overdue and upcoming tasks
- Budget analysis
- Critical project risks
- Indicators of how the project is tracking with respects to scope, budget and schedule.
- The monthly project status report will be place on the project portal site 4 business days after the month end

3.10.8. Issues and Risk Management

The following procedure will be used to manage Project issues and risks:

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- Identify and document
- Assess impact and prioritize
- Assign responsibility
- Monitor and report progress
- Communicate issue resolution

On a monthly basis, the Project Managers will meet, to review the status of the risks and outstanding issues. When a risk is identified each risk will be assessed for probability and impact and weighted.

3.10.9.   Conflict Resolution and Escalation Process

While both parties agree it is the desire to resolve issues quickly and within the project team(s), at times this may not be possible, and issue(s) may need to be escalated to resolve. Note a project issue can include anything from a business process change to a schedule issue to a personnel issue. The following table shows the escalation path:

Escalation Path	SpryPoint	Client
Level 4	Managing Partner(s)	Executive Sponsor
Level 3	Vice President Service Delivery	Executive Sponsor
Level 2	Project Manager	Project Manager
Level 1	Implementation Specialist	Core Team Members

3.10.10.   Project Working Times

3.10.10.1.   Project Working Schedule

During the project implementation it has been agreed that Project Meetings, Training Sessions and/or any onsite time will complete Monday through Friday when working remotely. If work is being completed onsite meeting times will be scheduled Monday thru Thursday, with Friday being a travel day for SpryPoint staff. In the event scheduled project activities such as meeting, training sessions, etc. need to be completed on days/times outside the above agreed times, this will be mutually agreed upon by both parties and scheduled a minimum of 2 weeks in advance.

3.10.10.2.   Statutory Holidays

It is agreed that both parties will do their best to respect each party's holiday schedule. However, depending on where the project is and go live date, on occasion project team members may be required to work a statutory holiday. If this is to occur, it will be mutually agreed to by both parties

SpryPoint Observed Holidays

Holiday	2023	2024

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New Year's Day	January 1 (observed on January 2nd)	January 1
Islander Day	February 20	February 19
Good Friday	April 7	March 29
Victoria Day	May 22	May 20
Canada Day	July 1 (observed July 3)	July 1 (observed July 4)
Civic Holiday	August 7	August 5
Labor Day	September 4	September 2
National Day of Truth & Reconciliation	September 30 (observed October 2)	September 30
Thanksgiving	October 9	October 14
Remembrance Day	November 11 (observed November 13)	November 11
Christmas Day	December 25	December 25
Boxing Day	December 26	December 26

** Note: this calendar is subject to change based on company policies

Client Observed Holidays

Holiday	2023	2024
New Year's Day	January 1 (observed on January 2nd)	January 1
Martin Luther King Jr Day	January 16	January 15
Presidents Day	February 20	February 19
Memorial Day	May 29	May 27
Independence Day	July 4	July 4
Labor Day	September 4	September 2
Election Day		
Veteran's Day	November 11 (observed November 13)	November 11
Thanksgiving	November 23	November 28
Friday after Thanksgiving	November 24	November 29
Christmas Day	December 25	December 25

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3.10.11.   Executive Steering Committee

The Executive Steering Committee Meeting will include SpryPoint and Client   Project Managers and Project Sponsors. This review will take place monthly via a zoom meeting or onsite (if mutually agreed to by both parties). The intent of this meeting is to ensure that the project is on-time and on-budget, and that Executive Management for both parties have a clear understanding of project status. The intended level of attention to detail during this meeting is to identify areas of concern or material change to the project. Topics of discussion include:

- Work accomplishments from the previous month and planned work accomplishments for the upcoming month
- The percentage completed for the overall project thus far. Descriptions of any significant variances in schedule or work will be provided.
- The current Risk Management Plan will be included, and risk status will be reviewed, based on priority of risks.
- The Project Plan will be included and reviewed for any areas of concern or material change to the project.
- Executive Steering Committee meeting will occur monthly, or more frequently if there are critical project issues that need to be discussed or if either party requests an additional meeting.

3.10.12.   Project Management Reoccurring Deliverables

During the project implementation the SpryPoint Project Manager is accountable for the delivery of the following reoccurring deliverables

Communication Method	Description
Shared Project Folders	Via the use of Google Drive, SpryPoint will provide the client with a shared project folder for document sharing and collaboration of documents during the project
Project Status Reports	A monthly report that outlines summarize project status, upcoming activities, risks, etc.
Updates to the project plan	Updates to the baseline Project schedule are performed and published bi-monthly. The plan is updated to refine tasks, percent complete and milestone completions, inclusive of resource updates and timeframe updates. Both parties will commit to staffing and resources to meet a rolling 3-month window. Note: project plans will be maintained and update in the SpryPoint Project Tool, called Wrike. Access can be granted to the client to see the project plan.
Risk Log	Report that lists risks, probability, impact, status, and responsible resource.
Executive Steering Committee	A monthly meeting to ensure both Executive Teams understand project status, any risks, and an opportunity to discuss any other topics as required

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Issue Log	Report that lists project issues, responsible resource, due date, priority, and impact on critical path.

3.10.13.   Project Completion

The project will be considered complete when any of the following are met:

1. All of the service deliverables identified within this SOW have been completed, delivered, and accepted or deemed accepted, including approved Change Order Forms; and

2. The fee provisions of the contract have been met; or

3. This agreement is terminated pursuant to the provisions of the contract; or

4. If client is using the system in a production environment for longer than 6 months with no written documentation of issues related to the scope included in this SOW.

Once a project is deemed complete any outstanding implementation fees are due.

4. Integrations & Enhancements

This section outlines any of the integrations or enhancements included in the scope of work. It is important to note that during analysis and throughout the implementation there maybe additional integrations or enhancements identified. In this event, **SpryPoint** will provide ballpark estimate(s) to determine if further investigation or detail(s) is required. If the **Client** is not interested, **SpryPoint** will work with the **Client** to ensure they understand all required workarounds. If the **Client** wishes to investigate further, a full estimate will be provided. If the change is deemed required, the change order process will be activated.

4.1.   Integrations

SpryCIS is designed with REST Application Programming Interfaces (API's) to enable real-time integration.   For inbound integration and synchronization from back-office applications, we provide a purpose-built back- office integration Application Programming Interface (API). For outbound integration, we have an integrated process scheduler as well as an extensible event framework to support both batch and scheduled integrations as well as event-driven integrations.

SpryPoint will create an Integration Requirements Document for each integration to define the detailed requirements.

Note: In the event additional work or development is required to support integrations with third party applications and SpryPoint, it is outside the scope of this project. Some examples are configuration in third party application, the need for a third party to add information to an API, etc.

No.	Integration ame	Integration Details

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1.	One Solution ERP	SpryCIS supports standard financial integrations with a number of ERP systems. The standard integration supports the automated daily export of General Ledger (GL) and Accounts Payable (AP) transaction information to the ERP. H.T.E is a standard supported GL & AP integration. Transactions may be exported in summary or detail.
2.	Paymentus EBPP	SpryPoint maintains a set of standard integrations with Paymentus. SpryCIS ← → Paymentus I. Scheduled job for Customer Information File (CIF) generation and upload to Paymentus II. Auto-pay update job pulls autopay information from Paymentus to update autopay indicators in SpryCIS III. Real-time payment notification from Paymentus IV. Real-time autopay updates from Paymentus V. Card-present payment initiated from SpryCIS receipting page with real-time callbacks on successful card-present payments SpryEngage← → Paymentus i. Embedded Single Sign On (SSO) with standardized integration within SpryEngage including AutoPay Enrollment, Payment Routes and Managed Payment Methods. ii. Update payments made via Paymentus within SpryEngage back to SpryCIS in real-time. Paymentus IVR ← → SpryCIS SpryPoint maintains a standard interface with Paymentus IVR which: i. Makes customer and receivable information available to Paymentus. ii. Receives Customer Updates, Payment Information and confirmation of calls from Paymentus.
3.	Parcel Information	SpryCIS has a standardized parcel information update process which allows information updates from external parties such as counties or states. This process allows for configuration of • Secure FTP file locations and scheduling of updates • Identifying fields to match existing parcel records in parcel information files Mapping of fields to be updated within SpryCIS from parcel information files as needed.
4.	Fleet Mind	Integration between the City's fleet routing software to allow for solid waste service orders to remain in sync between Fleet Mind and the SpryCIS.

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5.	Various Payment Import Files	Payment import is a standard feature of SpryCIS which supports in-app configuration of both delimited and fixed-width text files. SpryPoint will configure payment file import processes wherein payment files will be imported into SpryCIS from various payment processors. Files may be uploaded manually or fetched automatically from an SFTP site by a scheduled job in SpryCIS. OCR lines are typically printed on invoices / statements to support remittance processors. Formatting of the OCR line is a standard development item in the SpryCIS invoice / statement development process.
6.	ESRI (ArcGIS)	SpryCIS and SpryMobile have standard Web Map Services (WMS) integration capabilities which support integration with ESRI ArcGIS WMS layers. This allows administrators to point SpryCIS/SpryMobile to existing WMS services and configure the display of WMS layers on maps within the SpryPoint applications. This capability is dependent the client having access to WMS services. SpryCIS also supports user definition of GeoJSON data layers from SpryCIS for display in GIS. These GeoJSON layers may be defined during implementation or afterward using a configurable interface. Examples of GIS data layers which may be configured using this feature include: 1. Meter and backflow information 2. Streets and other selected layers 3. Premise and parcel information. 4. Service locations (includes pseudo addresses for such items as irrigation meters) 5. Meter location coordinates 6. Backflow Device attributes 7. Ownership layer GIS administrators can access and export data from SpryCIS using built-in report tools such as Metabase.
7.	Pac West – Bill Print	SpryPoint will be create and manage the Bill Template as part of the project. SpryPoint will manage CASS address validation and sorting and will create a collated PDF file upon bill generation which will be uploaded to the bill printer via SFTP. SpryPoint can be configured to also include a text-based bill export metadata file. Both approaches are standard features and operations during system implementation.
8.	Sensus - Metering	SpryCIS supports standard meter reading integration for many AMR systems including Sensus. This integration includes:

		• Export of meter reading information by route or billing cycle to standard Sensus AMR formats • Import of meter reading information from standard Sensus AMR formats
9.	Azure Active Directory	SpryPoint will integrate with Client's Single Sign-On (SSO) provider. SpryPoint's Azure Active Directory integration allows for: • Management of SpryPoint applications using Azure AD • Single-Sign-On via Azure AD, which typically also manages multifactor authentication • Provisioning of AD Enterprise application users into each SpryPoint application. • De-provisioning of AD Enterprise application users from each SpryPoint application
10.	Collection Agency File	SpryPoint will create an interface to Client's Collection Agency. SpryCIS will export collections data to Client's collection agency via SFTP. SpryPoint will also configure a payment import file format to allow import of payments from the collection agency to applied against accounts in SpryCIS.
11.	Hyland Onbase	DESCRIPTION TO BE FINALIZED

4.2.   Enhancements

SpryPoint will create an Enhancement Requirements Document for each enhancement to define the detailed requirements.

No.	Requirement Description	Enhancement Details
1.		

5. Project Assumptions

The following project assumptions apply to this project:

5.1.   General Assumptions

1. **Client** will strive to minimize the impact of competing initiatives within the organization that may have a negative impact to the Project.
2. All prices are quoted in US Dollars and do not include any applicable taxes.
3. Prompt decision-making and problem resolution will be required to achieve an on-time, on-budget project completion.

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4. Client and SpryPoint understand the project scope and project timelines and agree to communicate and adhere to those objectives, thus setting the proper expectation level.
5. All changes to the SOW shall be managed in accordance with the Agreed upon Change Order process.
6. The Client will make resources available to assist with data extraction, data mapping, and preliminary data validation during the conversion efforts.
7. SpryPoint will provide the specified number of staff, as described in the detail project schedule and the staffing matrix, with the appropriate skills and experience to lead each workshop, analytical session, or other review activities, whether onsite or conducted remotely.
8. If on-site activity is required, The Client will provide workspace for each SpryPoint consultant. Breakout and conference space will also be provided if required.
9. If training is completed on-site, adequate training space will be provided by the Client to train end users. The training room(s) will include computers for each end-user being trained.
10. The Client will ensure Project Team members are available for meetings, workshops, discussions, and conference calls upon request by SpryPoint. Project Team members will respond to information requests by SpryPoint staff.
11. Whenever possible, the Project Team may consider alternative meeting options such as Zoom and Conference Calls.
12. Both parties agree to work a reasonable number of added hours (when required) to help complete project deliverables and project timelines as agreed upon by both Project Managers. If additional work has an impact on project budget, no work will be completed until a signed change order has been completed.
13. SpryPoint will assume responsibility for the successful completion of this SOW.
14. SpryPoint will assume overall responsibility for conducting all project related administration activities including the development and administration of a work plan that clearly indicates all Client tasks and responsibilities.
15. For implementation, SpryPoint will deploy a production and staging environment. The need for additional environments will be at the discretion of SpryPoint.
16. SpryPoint is responsible for the initial deployment, configuration, and testing of environments of the system to support training, development, testing, etc.
17. Client is willing to implement SpryPoint "Best Practices" to minimize the need for software customizations.
18. When possible, meeting invites for working sessions will be sent two weeks before the scheduled session. Both parties recognize that there are times where this may not be possible, if required to maintain the two-week period, it could have overall impact to the project schedule.
19. When possible, agendas for sessions will be provided two weeks before scheduled sessions. Both parties recognize that there are times where this may not be possible, if required to maintain the two-week period, it could have overall impact to the project schedule.

5.2.   Development Assumptions:

1. Client will provide subject matter experts for the legacy system as required to support the design, development, and testing of interfaces against other systems.

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2. Client will lead all interactions with 3rd parties related to the integration and overall delivery of the final solution. SpryPoint will provide sufficient lead time for asks of 3rd parties. For this point, sufficient will be a minimum of 5 business days. If a vendor requires longer lead times the client is responsible to document this and provide the minimum lead time to SpryPoint. Significant lead times to work with vendors could result in project delays.
3. SpryPoint will be responsible for performing quality assurance of all enhancements, interfaces, reports, and workflows prior to their delivery to the Client for user testing and acceptance.

5.3.   System Testing Assumptions:

1. Client will review, participate, and complete testing activities under the direction of SpryPoint as outlined in the sections above in this document
2. SpryPoint will provide resources for product fixes resulting from errors identified during the system testing process.
3. SpryPoint will deliver the completed SpryPoint Service to Client for review and acceptance.
4. Client will be responsible to sign off on testing results

5.4.   Training Assumptions:

1. Client is responsible for prerequisite education and training such as basic PC skills and fundamental business process knowledge.
2. SpryPoint will provide standard training materials. Client may use these training materials for any subsequent training classes.
3. Client will provide users with specific times to participate in required training.
4. Client has the facilities and will provide the necessary logistics support for all training sessions which if required may include training room, training workstations, and any other necessary training supplies.
5. Client will ensure end-user attendance during training.
6. Client will schedule and ensure clients practice use of the system after training is completed

5.5.   Production Readiness and Cutover Assumptions:

1. SpryPoint and the Client will be responsible for developing an acceptance test plan that will be mutually agreed on by the parties.
2. Client will be responsible for conducting an acceptance test of the completed system as delivered by SpryPoint at the completion of testing activities.
3. SpryPoint, with assistance of Client, will develop a mutual agreement regarding the go-live plan and schedule.
4. SpryPoint, with assistance of Client, will stage all aspects of the system in preparation for production cutover.
5. SpryPoint, with assistance of Client, will conduct production cutover activities.

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6. Appendixes

6.1. Definitions

In addition to the definitions contained elsewhere in this SOW, the terms in the table below are defined using the associated descriptions.

Definition/Term Name	Definition/Term Description
Acceptance Testing	Acceptance testing is Client's validation to ensure top-to-bottom functional stability and adherence to existing business requirements and business processes. Testing will be in several phases, including, but not limited to, functional testing, bill validation testing, integration testing, and performance testing.
Acceptance	Acceptance is defined as information, documentation, development, or any other object(s) approved and signed off by client
Agreement Date	The date in which both Client and SpryPoint agree to terms and execute the Master Agreement.
Business Day	One regular workday (Monday through Friday – non-holidays or emergency days) as defined by the Client's business calendar.
Business-critical Report	A business-critical report is one that is identified as being needed to complete any business processes or reports required to run the business of the client.
Business Process Design	The process design is conducted during business process modeling activities and focused on conducting business process design work in the context of the system environment. This design work will address operational and organizational changes required to implement the proposed solution.
Business Process	A defined series of procedures that will identify and document process steps and system transactions. Business Process documentation can be used to facilitate testing and training.
Bi-Monthly	The activity will happen every other week
Bi-Weekly	This activity will happen twice a week
Calendar Day/Days	A 24-hour period–typically starting at midnight.

Change Order	All changes to the SOW must be agreed upon by the parties and evidenced in a written instrument signed by the parties' authorized representatives.
Change Order Process	The process used when a change of scope is identified. This process may or may not have monetary costs associated with it.
Configuration	Process of performing table updates and algorithm changes to the system to have the system perform Client's specific user requirements. Configuration does not require programmatic software changes.
Conversion Validation	As a component of the data conversion process, this ensures the data from the legacy CIS to the SpryPoint CIS Solution has been completed accurately.
Cut Over	Includes all activities required to prepare the systems for the transition of the new SpryPoint CIS Solution to production processing. The activities will include ensuring security setup, establishing user profiles, closing out pending data in the legacy system, manual data conversions when required, system access rollout to end users, and other activities SpryPoint and Client deem necessary.
Data Acceptance Testing (DAT)	Testing performed by the client Data Owners and Key Users after each Data Conversion iteration. During DAT, the client not only verifies the data migrated, but also validates that the data may be inquired and reported upon. This can be done through a variety of queries, reports and visual confirmation.
Data Mapping	The process of assigning source system data elements to target data elements in the system data model for purpose of conversion.
Data Model	Conceptual description of data objects, their attributes, and the relationships between them.
Delivery	Defined as information, documentation or object approved provided to the client for review, feedback and/or acceptance.
Enhancements	Enhancements to the base solution that is added to the core code to meet a defined Client requirement. This does not include configuration changes of any form. The word modification may be used interchangeable with Enhancement
Enhancement Testing	Stand-alone testing of the system modifications (enhancements), performed during development, by the SpryPoint developers and Implementation specialists.
Fallback Plan	This plan can be found as part of the cutover plan. Its' purpose is to identify risks and a contingency plan which outlines the parameters in which a roll back could occure and the processes and procedures if the Client needs to roll back to a Legacy CIS system during the cutover.

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Functional Test	Singular test of an object, such as a screen, report, or batch program. These tests will focus on specific functions.
Interface	Passing of data between two separate and distinct systems; can be accomplished in real-time or batch mode.
Integration Test	The integration testing will utilize formal test plans and scripts that will define how to test a singular feature and business process based on pre-defined expected results. Integration tests are formal in nature, cover multiple scenarios of a feature and process, and are based on the variations of Client's business.
Legacy CIS	References the Client's old system Customer Information System that is being replaced.
Bill Validation Testing	This testing focuses on bill comparisons and validation between the legacy system and SpryCIS. The purpose of this testing is another method to ensure configurations are setup correctly, data has imported correctly and there are no impacts on client revenue at the time of go live
Organizational Change Management (OCM)	The activities, events, processes, and procedures that are employed for handling transformation from one system environment to another; this relates mainly to the people and business processes.
Performance Testing	This testing will exercise the system to ensure Client will achieve the stated performance goals.
Price	The total cost for implementation & expenses to deliver the SpryPoint Solution as noted in this SOW and other Exhibits to the Agreement.
Quality Assurance	The process of verifying that the proper processes and procedures have been adhered to on the project from a methodology as well as project management perspective and that the deliverables produced on the project have included the appropriate content and meet expectations.
Script Testing	Testing using a pre-determined script or set of instructions. Testing can be either manual or automated work.
SpryPoint Service	The SpryPoint Service includes all services as defined in this Statement of Work for products sold as part of this contract.
Templates	Templates refer to the standard format of various project documents that SpryPoint will provide as a starting point and will modified to address the specifics of this project. Examples include Training Plan, Test Plan, Conversion Plan, etc….
Test Matrix	A worksheet that identifies accounting periods, account numbers, financial transactions and other expected results for testing purposes.

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Test Plan	Document that outlines a strategy or approach for testing. Describes key setup issues, dependencies, and other general factors.
Test Scripts	A series of actions, functions, scenarios, or commands documented for execution during various phases of testing.
User Acceptance Test	Final testing led by the client, where SpryPoint is available for assistance as required. This testing is typically scenario based and ensures that the system is configured to meet all of agreed upon business processes.

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6.2. Milestone Schedule

Milestones				
Milestone	Phase	Milestone Name	Milestone Description	Amount
1	Project Management	PM Month 1	PM activities per the SOW	$5,750
2	Project Management	PM Month 2	PM activities per the SOW	$5,750
3	Project Management	PM Month 3	PM activities per the SOW	$5,750
4	Project Management	PM Month 4	PM activities per the SOW	$5,750
5	Project Management	PM Month 5	PM activities per the SOW	$5,750
6	Project Management	PM Month 6	PM activities per the SOW	$5,750
7	Project Management	PM Month 7	PM activities per the SOW	$5,750
8	Project Management	PM Month 8	PM activities per the SOW	$5,750
9	Project Management	PM Month 9	PM activities per the SOW	$5,750
10	Project Management	PM Month 10	PM activities per the SOW	$5,750
11	Project Management	PM Month 11	PM activities per the SOW	$5,750
12	Project Management	PM Month 12	PM activities per the SOW	$5,750
13	Project Management	PM Month 13	PM activities per the SOW	$5,750
14	Project Management	PM Month 14	PM activities per the SOW	$5,750

15	Analysis	Project Kickoff	Complete the following Deliverables: - Mobilize Project Team - Conduct Project Kickoff - Prepare project infrastructure - Detailed Analysis Workshop schedule complete - System Overview Training - Pre-Project Kickoff - Initial Project Schedule	$1,400
16	Analysis	Environment Deployment	Complete the following deliverables: - Staging and Prod environments setup with one client user setup	$2,800
17	Analysis	Analysis Workshops 1	Complete the following deliverables: - System Familiarization Workshop - Customer Care Analysis Workshops - Premises Analysis Workshops	$8,500
18	Analysis	Analysis Workshops 2	Complete the following deliverables: - Billing Analysis Workshops - Payments Analysis Workshops - Collections Analysis Workshops	$8,500
19	Analysis	Analysis Workshops 3	Complete the following deliverables: - Bill Template Analysis Workshop - Finance & Admin Analysis Workshop	$8,500
20	Analysis	Analysis Workshops 4	Complete the following deliverables: - SpryEngage Workshop - SpryMobile Analysis Workshop - SpryBackflow Analysis Workshop	$8,500

21	Analysis	Analysis Report Delivery	Complete the following deliverables: - Deliver Analysis Report to client for review	$5,000
22	Analysis	Analysis Report Signoff	Complete the following deliverables: - Analysis Report Updates -Analysis Report Review & Approval	$5,000
23	Analysis	Analysis Workshop - Integrations	Complete the following deliverables: -Analysis workshop for integrations	$2,500
24	Analysis	Analysis Workshop - Reports	Complete the following deliverables: -Analysis workshop for reports	$2,500
25	Analysis	Analysis Workshop - Dashboards	Complete the following deliverables: -Analysis workshop for dashboards	$2,500
26	Analysis	Report & Dashboard Plan	Complete the following deliverables: - Deliver Report Plan	$5,000
27	Analysis	Training Plan	Complete the following deliverables: - Deliver Training Plan - Deliver Test Plan - Deliver Security Plan and Baseline Roles	$2,500
28	Analysis	Change Management Plan	Complete the following deliverables: - Deliver Change Management Plan	$3,000
29	Analysis	Data Conversion Strategy	Complete the following deliverables: - Data Conversion Strategy	$2,500

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30	Configuration	Configuration 1	Complete the following deliverables: - Supporting Configuration Workshops - Initial setup decisions in configuration Workbook updates for following workbook tabs: 1. Enable Services 2. Aging 3. GL Account Structure 4. GL Accounts 5. Billing Cycles 6. Penalty Type - Configuration in staging environment	$10,200
31	Configuration	Configuration 2	Complete the following deliverables: - Supporting Configuration Workshops - Initial setup decisions in configuration Workbook updates for following workbook tabs: 1. Receivable Types 2. Revenue Months 3. Billing Periods 4. Default Gl Accounts 5. Services Types 6. Tax Schedules - Configuration in staging environment	$10,200

| 32 | Configuration | Configuration 3 | Complete the following deliverables:
- Supporting Configuration Workshops
-Initial setup decisions in configuration Workbook updates for following workbook tabs:
1. Rate Schedule
2. Meter Size Rate Detail
- Configuration in staging environment | $10,200 |
| 33 | Configuration | Configuration 4 | Complete the following deliverables:
- Supporting Configuration Workshops
-Initial setup decisions in configuration Workbook updates for following workbook tabs:
1. Account Statuses
2. Customer Statues
3. Premise Statues
4. Account Types
5. Premise Types
6. Equipment Location Types
7. Routes
8. Water Meter Configurations
10. Charge Types
11. Deposit Types
12. Credit Memo Type
13. Global Config
14. Measurement Types
- Configuration in staging environment | $10,200 |

| 34 | Configuration | Configuration 5 | Complete the following deliverables:
- Supporting Configuration Workshops
-Initial setup decisions in configuration Workbook updates for following workbook tabs:
1. Collections Media
2. Collections Routine
3. New Item Categories
4.City Setup
5. Equipment Categories
6. Equipment Type
7. Tender Type
8. Payment Sources
- Configuration in staging environment | $10,200 |
| 35 | Configuration | Configuration 6 | Complete the following deliverables:
- Supporting Configuration Workshops
-Initial setup decisions in configuration Workbook updates for following workbook tabs:
1. Auto number configuration
2. Business Hours
3. Dashboard Configuration
4. Denomination Configuration
5. Holiday Calendar
6. Billing Validation Rules
7.Budget Billing Types
8. Billing Agreement Add-ons (if applicable)
9. Summer Sewer Configuration
- Configuration in staging environment | $10,200 |

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| 36 | Configuration | Configuration 7 | "Complete the following deliverables:
- Supporting Configuration Workshops
- Initial setup decisions in configuration Workbook updates for following workbook tabs:
1. Payment File Format
2. Pre-authorized Payment
3. Alternate ID Types
4. Relationship Types
5. Deposit Interest Schedules
6. Districts
7. Exemption Reasons
8. Move In Request Types
9. Move Out Request Types
- Configuration in staging environment" | $10,200 |

37	Configuration	Configuration 8	"Complete the following deliverables: - Supporting Configuration Workshops - Initial setup decisions in configuration Workbook updates for following workbook tabs: 1. Dispute Types 2. Dispute Resolution Types 3. Write Off Types 4. Bankruptcy Types 5. Service Order Actions 6. Service Order Types 7. Communication Message 8. Auto Reply Rules 9. Statement Message 10. Estimation Algorithms 11. Meter Reading Code Mappings - Configuration in staging environment"	$10,200
38	Configuration	Configuration 9	Complete the following deliverables: - Supporting Configuration Workshops - SpryMobile Initial Configuration completed and SpryMobile ready for client testing	$10,200
39	Configuration	Configuration 10	Complete the following deliverables: - Supporting Configuration Workshops - SpryEngage Initial Configuration & ready for client testing	$10,000

40	Configuration	Configuration 11	Complete the following deliverables: - Supporting Configuration Workshops - SpryBackflow Initial Configuration & ready for client testing	$5,000
41	Configuration	Data Mapping	Complete the following deliverables: -Initial completion of data mapping workbook	$5,000
42	Configuration	Data Iteration 1	Complete the following deliverables as required for Data Iteration 1: - Develop/Update data import routines - Create & deliver data conversion validation reports - Load iteration data in staging environment" -Data conversion results review with client -Data conversion issues resolution and resolution plan -Data conversion acceptance checklist	$4,850
43	Configuration	Data Iteration 1.1	Complete the following deliverables as required for Data Iteration 1.1: - Develop/Update data import routines - Create & deliver data conversion validation reports - Load iteration data in staging environment" -Data conversion results review with client -Data conversion issues resolution and resolution plan	$4,850
44	Configuration	Data Iteration 1.2	Complete the following deliverables as required for Data Iteration 1.2: - Develop/Update data import routines - Create & deliver data conversion validation reports - Load iteration data in staging environment" -Data conversion results review with client Data conversion issues resolution and resolution plan	$4,850

45	Configuration	Data Iteration 2	Complete the following deliverables as required for Data Iteration 2: - Complete any data mapping updates - Develop/Update data import routines - Create & deliver data conversion validation reports - Load iteration data in staging environment -Data conversion results review with client Data conversion issues resolution and resolution plan	$4,850
46	Configuration	Data Iteration 2.1	Complete the following deliverables as required for Data Iteration 2.1: - Complete any data mapping updates - Develop/Update data import routines - Create & deliver data conversion validation reports - Load iteration data in staging environment -Data conversion results review with client Data conversion issues resolution and resolution plan	$4,850
47	Configuration	Data Iteration 2.2	Complete the following deliverables as required for Data Iteration 2.2: - Complete any data mapping updates - Develop/Update data import routines - Create & deliver data conversion validation reports - Load iteration data in staging environment -Data conversion results review with client Data conversion issues resolution and resolution plan	$4,850

48	Configuration	Data Iteration 3	Complete the following deliverables as required for Data Iteration 3: 1) Complete any data mapping updates 3) Develop/Update data import routines 4) Create & deliver data conversion validation reports 5) Load iteration data in staging environment 6) Data Conversion results review with client 7) Data conversion issues resolution and resolution plan	$4,850
49	Configuration	Data Iteration 3.1	Complete the following deliverables as required for Data Iteration 3.1: 1) Complete any data mapping updates 3) Develop/Update data import routines 4) Create & deliver data conversion validation reports 5) Load iteration data in staging environment 6) Data conversion results review with client 7) Data conversion issues resolution and resolution plan	$4,850
50	Configuration	Data Iteration 3.2	Complete the following deliverables as required for Data Iteration 3.2: 1) Complete any data mapping updates 3) Develop/Update data import routines 4) Create & deliver data conversion validation reports 5) Load iteration data in staging environment 6) Data conversion results review with client 7) Data conversion issues resolution and resolution plan	$4,850
51	Configuration	Integration- One Solution ERP - Requirement	Completed the following deliverables: - Provide integration requirements document for GL & Accounts Payable interface - GL & Account Payable interface is in Staging and Ready for testing"	$2,800

52	Configuration	Integration - Paymentus - Development	Complete the following deliverables: Integration in the staging environment and ready for testing	$2,800
53	Configuration	Integration – Update of Assessor's Database	Complete the following deliverables: Integration in the staging environment and ready for testing	$2,800
54	Configuration	Integration - ESR ArcGIS	Complete the following deliverables: Integration in the staging environment and ready for testing	$4,200
55	Configuration	Integration Requirements - Fleet Routing & Tracking Software (Fleet Mind)	Completed the following deliverables: - Requirements document signed by client	$2,800
56	Configuration	Integration - Fleet Routing & Tracking Software (Fleet Mind)	Complete the following deliverables: Integration in the staging environment and ready for testing	$2,800
57	Configuration	Integration - Meter System - Sensus	Complete the following deliverables: - Integration in staging environment ready for client review & testing	$4,200
58	Configuration	Integration - Bill Print/Export	Complete the following deliverables: - Integration in staging environment ready for client review & testing	$7,000
59	Configuration	Integration - ONBASE	Complete the following deliverables: - Integration in staging environment ready for client review & testing	$7,000
60	Configuration	Integration - Single Sign On - Active Directory	Complete the following deliverables: - Integration in staging environment ready for client review & testing	$4,200

63

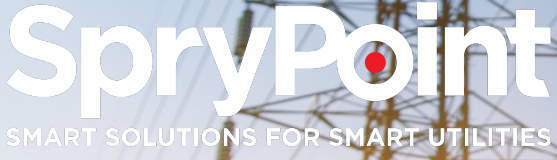|				
61	Configuration	Reporting 1	Complete the following deliverables: - 50% of the report changes and/or custom reports as identified in the report plan, accessible for client review in staging environment	$4,000
62	Configuration	Reporting 2	Complete the following deliverables: - The remaining report changes and/or custom reports as identified in the report plan, accessible for client review in staging environment	$4,000
63	Configuration	Dashboards 2	Complete the following deliverables: - 50% of the dashboards as identified in the report plan, accessible for client review in staging environment	$4,000
64	Configuration	Dashboards 2	Complete the following deliverables: - Completion of the remaining dashboards as identified in the report plan, accessible for client review in staging environment	$4,000
65	Configuration	Change Management Activities	Complete the following deliverables: - Change impact document - OCM training materials	$3,000
66	Configuration	Core Team Training	Complete the following deliverables: - Completed training for Core team Members	$10,000
67	Test	Functional Test Cases	Complete the following deliverables: - Deliver to client out of the box Functional Test Cases	$6,650
68	Test	Integration Test Cases	Complete the following deliverables: - Deliver to client out of the box Integration Test Cases	$6,650

69	Test	User Acceptance Test Cases	Complete the following deliverables: - Deliver to client out of the box User Acceptance Test Cases"	$6,650
70	Test	Bill Validation Testing Round 1	Complete the following deliverables: - Complete Bill Validation Activities - Bill Validation report delivered to client	$6,650
71	Test	Bill Validation Testing Round 2	Complete the following deliverables: - Complete Bill Validation Activities - Bill Validation report delivered to client	$6,650
72	Test	Bill Validation Testing Round 3	Complete the following deliverables: - Complete Bill Validation Activities - Bill Validation report delivered to client	$6,650
73	Test	Tester Training	Complete the following deliverables: - User identified as Testers are trained and ready to start UAT testing	$7,000
74	Test	Functional Testing R1	Complete the following deliverables: - Execute Functional Testing - Functional Testing Issue Resolution - Functional Testing Signoff	$6,650
75	Test	Functional Testing R2	Complete the following deliverables: - Execute Functional Testing - Functional Testing Signoff	$6,650
76	Test	Integration Testing R1	Complete the following deliverables: - Execute Integration Testing - Integration Testing Issue Resolution - Integration Testing Signoff	$6,650
77	Test	Integration Testing R2	Complete the following deliverables: - Execute Integration Testing - Integration Testing Signoff	$6,650

78	Test	User Acceptance Testing R1	Complete the following deliverables: - Execute User Acceptance Testing - User Acceptance Testing Issue Resolution - User Acceptance Testing Signoff	$6,650
79	Test	User Acceptance Testing R2	Complete the following deliverables: - Execute User Acceptance Testing - User Acceptance Testing Signoff	$6,650
80	Deploy	End User Training 1	Complete the following deliverables: - CSRs and Billing end users trained	$7,000
81	Deploy	End User Training 2	Complete the following deliverables: - Field Service end users trained	$7,000
82	Deploy	End User Training 3	Complete the following deliverables: - All other end users trained	$7,000
83	Deploy	End User Training 4	Complete the following deliverables: - Backflow training for end users completed	$7,000
84	Deploy	Change Management Training	Complete the following deliverables: - complete training per the OCM Plan	$1,000
85	Deploy	Mock Go-Live 1	Complete the following deliverables: - Mock Go-Live Plan provided to client for review - Mock Go- Live Scheduled	$7,000
86	Deploy	Mock Go-Live 1	Complete the following deliverables: - Mock Go-Live Successfully Executed"	$7,000

87	Deploy	Data Iteration 4	Complete the following deliverables as required for Data Iteration 4: - Update mapping as required - Run data import scripts - Create & deliver data conversion validation reports - Load iteration data in environment	$4,850
88	Deploy	Go-Live	"Complete the following deliverables: - Go Live Plan Developed - Go/No Go Decision - Go Live Activities Completed - SpryPoint - Go Live Signoff - Issue Log Updated"	$21,000
89	Operate	Post Go-Live Support Month 1	"Complete the following deliverables: - Client Executing business in Production - Completed month end - Refresher Training as needed - Updated and prioritized punchlist	$42,000
90	Operate	Post Go-Live Support Month 2	"Complete the following deliverables: - Client Executing business in Production - Refresher Training as needed - Completed month end - Updated and prioritized punchlist	$21,000
91	Operate	Post Go-Live Support Month 3	"Complete the following deliverables: - Client Executing business in Production - Refresher Training as needed - Completed month end - Updated and prioritized punchlist - Transition Documentation - Transition to Customer Success Meeting	$5,000

92	Operate	Project Close Out	Complete the following deliverables: - All contractual items delivered - All P1 and P2 items completed - Plan for any remaining punchlist items - All documents signed off	$2,000
Total				**$599,900**

SpryPoint
SMART SOLUTIONS FOR SMART UTILITIES

Exhibit B – Pricing Schedule

45 Queen Street
Charlottetown, PE
C1A 4A4, Canada

sprypoint.com

Statement of Confidentiality

The contents of this proposal are confidential and are supplied on the understanding that they will be held confidentially and not disclosed to third parties without the prior written consent of SpryPoint.

Table of Contents

Introduction

This Pricing Schedule is made by and between the Parties identified below on the date indicated as of the execution of the Master Subscription Agreement ("*Effective Date*").

SpryPoint Services Inc.	City of Clovis
45 Queen Street Suite #401 Charlottetown, PE C1A 4A4	1033 5th St. Clovis, CA 93612 United States
Ryan Cawley Managing Partner	Jeffrey Blanks Deputy Finance Director
902-940-6830	
rcawley@SpryPoint.com	jblanks@cityofclovis.com

The contents within this document will be governed by the terms and conditions of the Master Agreement between the Parties. This Pricing Schedule is governed by and incorporates the following documents in effect as of the effective date. All documents are listed in order of precedence, and collectively referred to as **"The Agreement"**. Capitalized terms used but not defined herein have the meanings ascribed to them in the Master Agreement.

	Document
1	Master Subscription Agreement
2	Exhibit A - Statement of Work
3	Exhibit B - Pricing Schedule
4	Exhibit C - Service Level Agreement
5	Exhibit D – Insurance Coverage
6	Exhibit E – Security
7	Exhibit F – Data Processing
8	Exhibit G – Escrow Agreement
9	Exhibit H – SpryPoint Response to RFP – 2022-03-18a

SpryPoint SaaS Products and Pricing

SpryPoint SaaS Products

The business scope of SpryPoint's software-as-a-service application(s) are defined as follows:

SpryCIS - Customer Information System

SpryCIS will, at a minimum, provide functions and processes to support customer service and customer account management, meter reading and consumption/usage collection and information, meter equipment/inventory records and location data, other billing related inventory records, field service order requests, rate, fee and tariff storage to be used in mass calculation, billing calculation and production of billing statements, and financial processing to include processing of payments, adjustments, past due collections actions and notifications, unpaid debt processing, and financial reconciliations.

Integration as defined within Exhibit A - Implementation Statements of Work and final accepted work product

Reporting/Data Access as defined within Exhibit A - Statements of Work and final accepted work product

SpryEngage – Customer Engagement Platform

SpryEngage will, at a minimum, provide the functions and processes to support Customer Self-Service and Engagement including:

Customer Facing

- Customer Registration & Login
- Mobile Access via responsive web design
- Customer Dashboard
- Profile Management
- Alert Sign-up & delivery
- Guest Access
- Interactive Consumption Presentation
- Bill Display
- Electronic Billing
- Payment Processing
- Electronic Forms Submissions

Administrative

- Administrative Dashboard
- Reporting & Analytics
- Customer Masquerading

SpryMobile – Mobile Field Service

SpryMobile will, at a minimum, provide the functions and processes to support the creation of short cycle work including at a minimum:

- Service orders,
- Scheduling
- Dispatch
- Mapping
- GIS Layers
- MyWork
- Notifications
- Real-Time Connectivity back to SpryCIS.

SpryMobile will provide the ability to accept, process, complete and utilize relevant data from SpryCIS, and allow field users to process updates and notifications in real-time.

Integration as defined within Exhibit A - Implementation Statements of Work and final accepted work product

Reporting/Data Access as defined within Exhibit A - Implementation Statements of Work and final accepted work product

SpryBackflow – Cross Connection Control

SpryBackflow will, at a minimum, provide the functions and processes to support the business process related to the maintenance of a cross connection program including:

- Synchronization of customers and locations with SpryCIS
- Maintain and manage backflow assemblies including physical location
- Generate and deliver notices of requirement for test to customers
- Track all correspondence with customers and testers
- Allow administrators to review, approve or deny electronically submitted tests
- Maintain list of testers including profiles
- Provide self-service portal for testing community to update profiles and certifications
- Facilitate electronic submission of tests from tester portal

SaaS Pricing Schedule

The table below provides the details of the SpryPoint Software-as-a-Service products purchased, the usage metrics and amounts, and the annual fees for the initial subscription term.

SpryPoint SaaS Application Name/Module	Environments Included during implementation*	Environments included after go-live*	Usage Metric	Quantity Subscribed	Price per metric	Annual Subscription Amount for Initial term
SpryCIS – Customer Information System	Production (1), Staging (1) Sandbox (1)	Production (1) Sandbox (1)	Active Accounts	37,000	$3.00 per Active Account in blocks of 500	$111,000
SpryEngage – Customer Engagement Platform	Production (1), Staging (1)	Production (1)	Active Accounts	37,000	$1.00 per Active Account in blocks of 500	$37,000
SpryMobile – Mobile Field Service	Production (1), Sandbox (1)	Production (1)	Full Users Light Users	15 Full Users	$75/per Full users/month $50/per Light user/Month	$13,500
SpryBackflow – Cross Connection Control	Production (1), Sandbox (1)	Production (1)	Testable Assemblies	3,000	$3.00 per testable assembly per year	$9,000
Total Annual Fee						**$170,500**

* Upon mutual agreement between SpryPoint and Client, other environments may be established for specific purposes throughout the implementation (Eg, Test & Train) and will not result in additional cost to Client. If additional dedicated environments are required post go-live there may be additional fees required.

SaaS Software Usage Metrics

Usage Metric Limitations stated above represent the maximum annual quantity of Usage Metrics over a 12-month period and are for Production Environment only. Client is licensed "up to" the Usage Metric Limitation.

Usage Metric Definitions

Accounts

Accounts are defined as "Active Accounts" within the CIS. An account is no longer considered Active when it is ineligible to receive a Statement and is no longer subject to ancillary processes such as penalties, collections routines or external communication from SpryCIS. Active accounts are audited based on a variance of +/-500 accounts for the purposes of pricing updates as outlined in the auditing process below.

Full Users

Full Users are defined as users who can access all SpryMobile's functionality to create, edit, and share data.

Light Users

Light Users are defined as users who have read only access to data within SpryMobile.

Archived Users

Archived Users are defined as user accounts that are no longer active or required. It is the Client's responsibility to archive users. All records associated with the archived user are maintained within the application for data integrity and activity logging, but archived users are not able to login or access resources within the application.

Testable Assembly

Testable Assembly is defined as an assembly which is associated with a location and is subject to test notices and test entry submission, regardless of the frequency of notices and entry.

Usage Metric Verification Process

Client has access to self-service metric usage on demand and within the Service. Client System Administrators can add or remove Accounts and Users as needed. It is the Client's sole responsibility to archive users in SpryMobile if they are no longer being used.

SpryPoint may verify metrics through a quarterly audit and will bill any changes annually. Audit results will be shared with Client. Any use exceeding or decreasing from the usage metrics within scope and defined above will be subject to fee adjustments as indicated above. Fees accrue in the calendar month the excess use began and accordingly fees decrease from the calendar month of decreased use. For example, if in the first subscription year:

Annual Subscription Invoicing of 25,000 Active Accounts = $75,000

- Quarter 1 Audit = An average of 24,900 Active Accounts during the quarter = $0.00 increase or decrease.

- Quarter 2 Audit indicates an average of 25,300 Active Accounts during the quarter = $1500 increase ($3 per account x block of 500) prorated for the remaining term of the active subscription period (6 months), to be added to the subsequent renewal period.

- Quarter 3 Audit indicates an average of 24,443 Active Accounts during the quarter = $1500 decrease ($3 per account x block of 500) prorated for the remaining term of the active subscription period (3 months), to be applied as a credit against the subsequent renewal period.

- Quarter 4 Audit indicates an average of 24,900 Active Accounts during the quarter.

Next Annual Subscription Invoicing for 25,000 Active Accounts:

($75,000* Renewal Year Escalation Rate of 3%)
+
(($1500* Previous Year Escalation Rate of 0%) * (2/4))
–
(($1500* Previous Year Escalation Rate of 0%) * (1/4))
=
$77,625

The average number of active accounts during per quarter is calculated as:

(Total Active Accounts during the Quarter/3)

SaaS Products and Subscription Initial Term

The Initial Term of this agreement shall be for a period of one (1) year.

Annual Renewal

As outlined in section 9.2 of the Master Subscription Agreement, the Initial Term and any subsequent renewals will automatically renew for terms of 12 months, unless Client notifies SpryPoint of their intention not to renew.

Annual Escalation

When the initial term comes to an end, each subsequent renewal will be subject to a pricing adjustment which will occur at the higher of 4% or CPI with a maximum per-year increase of 6%.

Initial Implementation Fees

The description of the initial Implementation is included within Exhibit A - Statement of Work (SOW) of the Master Subscription Agreement. All invoicing, fees and payment Milestone schedules associated with the SOW are incorporated within Exhibit A. Those summarized Implementation fees are represented below:

Implementation	Cost
Project Management	$80,500
Deployment	$2,800
Analysis	$43,400
Integrations	$54,600
Organizational Change Management	$7,000
Reporting & Dashboards	$21,000
Configuration	$105,000
Data Conversion	$56,000
Training	$43,400
Testing & Mock Cutover	$95,200
Cutover	$21,000
Post Implementation Support	$70,000
Total	**$599,900**

Billing/Invoicing

Annual SaaS fees are due upon contract execution and will be invoiced in US Dollars at the yearly anniversary each subsequent year including any metric usage updates. Any Statement of Work or Change Order Fees will be billed according to the Payment Schedule determined within the associated Statement of Work.

Below is the client contact information for the administration of all audit information, invoicing, and any technical administration:

Jeffrey Blanks
Deputy Finance Director
1033 Fifth Street Clovis CA 93612
jeffreyb@cityofclovis.com

Additional Terms

Integrated Notification Services:

The SpryPoint platform includes integrated notification services which can be enabled by Client for the purposes of customer alerts and notifications. SpryPoint's Notification services include:

- Inbound & outbound SMS text messaging
- Outbound voice messaging
- Inbound & outbound email messaging

The ongoing usage costs will be invoiced quarterly based on actual usage according to the following table.

Service	Rate
Inbound & Outbound SMS Messaging	$0.02 / Message segment
Local Outbound Voice Messaging	$0.03 per minute
Toll-Free Outbound Voice Messaging	$0.03 per minute
Optional Random Short Code	$15,000/year

All fees are exclusive of any applicable communications service or telecommunication provider (e.g., carrier) fees or surcharges. Client will pay all communications surcharges associated with your use of the Integrated Notification Services. Communications Surcharges will be shown as a separate line item on an invoice.

The character limit for a single SMS message is technically 160 characters. However, most modern phones and networks support message concatenation which means they split large messages into individual SMS messages (called "segments") and then re-create the large message at the receiving end.

When Client sends an SMS message containing more than 160 characters, the message will be split into smaller messages for transmission. Large messages are split into 153-character 'segments' and sent individually, then re-assembled by the recipient's device. For example, a 161-character message will be sent as two messages: one with 153 characters and a second with eight characters. SpryPoint will invoice Client for every segment sent.

Exhibit C – Service Level Agreement

Exhibit C Exhibit C - Service Level Agreement - FINAL.docx
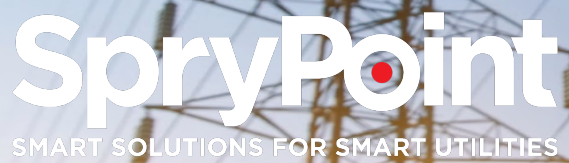
1   Introduction and Overview

SpryPoint's platform is built in the cloud and delivered as a service. Integrating software development and support is the optimal way to serve customers. SpryPoint's Customer Success Team consists of professionals who work alongside the product engineers that build, implement, test, and maintain our applications. The team is empowered to work with you to solve your problems.

This Service Agreement defines the general technology and Ongoing Production Support Services scope of SpryPoint's software-as-a-service offering. At a high level, this includes:

- Application Support and Maintenance
- Management of Updates and Enhancements
- Technology Infrastructure Management
- Backup and Recovery
- High Availability, Disaster Recovery, and Business Continuity
- Database Management
- Network Configuration and Monitoring
- Security
- Operations and Service Delivery Management
- Help Desk/Support
- Reporting/Performance Measurement Tools

These Services may be supplemented by change requests agreed upon by the parties in writing. This Agreement describes the responsibilities of all parties, the scope, and approach to the delivery of the services specified herein ("the Services").

This Service Agreement becomes effective when the client has been transitioned to the Customer Success Team. This will take place after the post go live period has been completed and all severity 1 and 2 issues identified in the post go live period have been resolved. Once the transition to the Customer Success team has occurred the SpryPoint implementation team will continue to be accountable for the resolution of all items on the punch list and the Customer Success Team will be accountable for any new issues.

This Agreement is specific to SpryPoint's software-as-a-service applications operating in a production environment as described in the current Pricing Schedule incorporated as part of this Agreement. Any non-production or test environments are expressly excluded from this or any other Service Agreement.

2   Definitions

These terms shall have the following meanings whenever used in this Agreement.

"**Assist**" means the party which may provide input into a task and/or be consulted before a decision or action is performed.

"**Demarcation Point**" means the outer most point of connectivity to the Service(s) public or private endpoints such as the data centers, infrastructure, and applications provided by SpryPoint.

"**Lead**" means the party which has final decision-making authority, accountability, and responsibility for task completion; this party needs to make sure the work gets done.

"**Outage**" means the total minutes the service is unavailable outside the scheduled maintenance window.

"**Scheduled Maintenance**" means the total minutes of planned maintenance activities per month. Currently, scheduled maintenance is 4 hours for weekly maintenance and 4 hours for monthly maintenance. Maintenance windows are defined further in System Maintenance and are subject to change on 30 days' notice from SpryPoint.

"**Total**" means the total minutes the service is available less those exceptions listed under Service Availability.

3   Scope of Service and Responsibilities

3.1   Ongoing Support and Subscription Services

3.1.1   Application Support

The table below describes the application support functions provided in the service and the responsibility assignment of each item.

Item	Responsibility	
	SpryPoint	**Client**
Provide Tier 1 help desk support as the first point of application support	Assist	Lead
Provide application, user password management including reset management as part of Tier 1 support	Assist	Lead
Attempt to resolve Tier 1 support calls using existing knowledge base	Assist	Lead
Maintain and update the Tier 1 system knowledge base	Lead	Assist
Make determination to escalate Tier 1 issues to Tier 2 and log incident	Assist	Lead
Service Request Management		
Provide technical and functional troubleshooting for Tier 2 issues	Lead	Assist
Work with Client to determine if a support case is for new system functionality (change) or requires assistance (bug, incident)	Lead	Assist
Provide a web-based system for support cases to be logged	Lead	Assist
Work with Client to assign proper severity of incident based on definitions	Lead	Assist
Provide support case tracking and reporting	Lead	Assist
Work with client to resolve Tier 2/3 support cases	Lead	Assist
Monitor, measure, and report on the status of Tier 2/3 support cases	Lead	Assist
Resolve Tier 2/3 support cases/incidents	Lead	Assist
Provide analysis of recurring incidents and work to establish a resolution or work around for such incidents.	Lead	Assist
Work with Client in reporting and resolving unplanned outages of any component or environment.	Lead	Assist
Provide root cause feedback for all Severity Level 1 incidents/issues	Lead	Assist

Escalate issues as needed	Lead	Assist
Promptly report outages and service interruptions	Lead	Assist
Monitor and administer client environments	Lead	Assist
Application Support		
Provide application support to the functional process owners	Lead	Assist
Address functional issues and questions involving "how to" raised by end-users	Assist	Lead
Work with departments to leverage software to streamline business processes	Assist	Lead
Assist with system functionality and process flow questions for software and reports	Assist	Lead
Provide functional support for first time processing of critical client business processes	Lead	Assist
Focused functional process support (i.e., end of year processing)	Assist	Lead
Maintain application releases of the current software in the production environment	Lead	Assist
Assist in reporting product issues to software vendor support and obtaining resolution	Assist	Lead
Provide availability management and support	Lead	Assist
Provide maintenance and support for all custom and standard interfaces	Lead	Assist
Provide maintenance and support for all forms	Lead	Assist
Provide maintenance and support for all custom and standard reports	Lead	Assist
Provide batch program maintenance and support	Lead	Assist
Develop, manage, and maintain application workflows	Lead	Assist
Provide functional testing support	Assist	Lead
Deploy required application software	Lead	Assist
Provide post-deployment verification testing of required software	Lead	Assist
Generate and analyze customer satisfaction surveys related to application maintenance and support	Assist	Lead
Provide maintenance and support of any ETL services	Lead	Assist
Security Administration		
Provide application security maintenance and administration	Assist	Lead
Conduct user access management and review	Assist	Lead
Maintain and support firewall subsystem software components where applicable (e.g., patches and software upgrades).	Lead	Assist
Monitor virus/security alerts and vulnerabilities from manufacturers and determine appropriate action per procedure.	Lead	Assist
SpryPoint is responsible for IT Security Services from the point of utility demarcation into the proposed solution data centers back through the infrastructure and applications provided by SpryPoint. IT Security Services include the evaluation, selection, deployment, and on-going management of Industry Standard security applications and tools.	Lead	Assist
Notification to designated representative(s) of Client of service interruption and or Breach	Lead	Assist
General Data Protection Regulation - SpryPoint shall comply with national legislation based upon the EU Data Protection Directive 95/46/EC, and effective May 25, 2018, the EU General Data Protection Regulation ("GDPR"), in relation to any "personal data" received by or originating from Client. For clarification purposes, SpryPoint will be the Data "Processer" as defined by the EU Data Protection Directive 95/46/EC and GDPR when it receives personal data originating from Client, who is the "Controller". SpryPoint will promptly notify Client if it becomes aware of any breach of "personal data"."	Lead	Assist

3.1.2   Operational Support

The table below describes the operational support functions provided in the service and the responsibility assignment of each item.

Item	Responsibility	
	SpryPoint	**Client**
Hosting Services		

Exhibit C Exhibit C - Service Level Agreement - FINAL.docx

Provide hosting services	Lead	N/A
Provide for a replicated system architecture	Lead	N/A
Provide disaster recovery services including system and data restoration	Lead	N/A
Conduct periodic testing of the disaster recovery solution	Lead	N/A
High availability and continuity of the service including load balancing to redirect traffic, multi-zone databases, auto-scaling instances based on application and processing load	Lead	N/A
Provide for secure transmission of data being stored and/or archived	Lead	N/A
Provide toll-free support line.	Lead	N/A
Database Management		
Perform database administration	Lead	N/A
Perform database monitoring	Lead	N/A
Perform database tuning	Lead	N/A
Perform database security	Lead	N/A
Perform database procedures	Lead	N/A
Perform scheduled maintenance procedures	Lead	N/A
Perform database patching and updates/service packs	Lead	N/A
Communicate patch and update impact analysis	Lead	N/A
Perform database capacity planning	Lead	N/A
Perform database refresh/clones	Lead	N/A
Perform database backup and recovery	Lead	N/A
Perform any data purging or archiving as required.	Lead	N/A
Release Management		
Provide guidance to Client on release planning	Lead	Assist
Assess impacts of new releases to the environment	Lead	Assist
Perform Client-requested periodic refreshes of the non-production environments from the production environment up to twice per calendar month	Lead	Assist
Perform application upgrades	Lead	Assist
Perform maintenance pack installations	Lead	Assist
Perform Emergency Release updates as needed.	Lead	Assist
Requests an enhancement/change in functionality/modification	Assist	Lead
Classify enhancement/change in functionality/modification	Lead	Assist
Provide an estimate for enhancement/change in functionality/modification	Lead	Assist
Provide written approval for enhancement/change in functionality/modification		Lead
Access Management		
Manage administrative user access to the environments	Assist	Lead
Manage user access at the operating level	Assist	Lead
Manage application users and their access to the various environments	Assist	Lead
Performance Management		
Monitor system performance	Lead	N/A
Monitor application performance	Lead	N/A
Monitor batch job performance	Lead	Assist
Analyze performance related incidents to identify factors impacting performance	Lead	Assist
Work with Client infrastructure area to ensure that network connectivity and bandwidth requirements are being satisfied.	Lead	Assist
Collect and provide or provide access to metrics and compliance reports on agreed upon aspects of the service.	Lead	Assist

3.1.3   Technology Infrastructure Services

The table below describes the Technology Infrastructure functions provided in the service and the responsibility assignment of each item.

Item	Responsibility	
	SpryPoint	**Client**
Review and resolve technical issues with the system	Lead	Assist

Assist with system debugging and issue resolution	Lead	Assist
Resolve system technical issues with batch programs, reports, workflows, etc.	Lead	Assist
Answer technical questions for day-to-day maintenance	Lead	Assist
Perform system administration	Lead	Assist
Provide system monitoring and tuning	Lead	Assist
Networking and integration between the SpryPoint applications	Lead	Assist
Provide system capacity planning	Lead	Assist
Provide storage capacity planning	Lead	Assist
Provide workload management and support	Lead	Assist
Perform infrastructure maintenance and support	Lead	Assist
Manage the testing of all application and system changes prior to applying to production	Lead	Assist
Perform updates/service packs	Lead	Assist
Perform system software patching and updates/service packs	Lead	Assist
Perform system patching and updates/service packs (desktop)	Assist	Lead
Provide change bundling analysis to reduce the frequency and length of time required to apply changes	Lead	Assist
Provide a back-out plan for changes to the various environments	Lead	Assist
Apply code patches for application software	Lead	
Implement minor technology updates	Lead	
Provide system maintenance scheduling and coordination	Lead	Assist
Report system outages and service interruptions	Lead	Assist
Provide infrastructure monitoring and alerting	Lead	
Provide environment set-up, maintenance, and support to include the following environments:		
Production	Lead	
Staging	Lead	
Sandbox	Lead	

3.2 Billable Services

There will be instances where a client request is beyond the scope of the original contract. Any out-of-scope item is considered an enhancement or a change to the service and should be directed to our Customer Success team through regular support request options. Enhancement requests would include new functionality and features. Change requests would include changes to the services or responsibilities of the service.
Examples of billable services that require a quote:

- Requests for new reports

- Requests for changes to current reports

- New configuration/setup

- Rate changes

- Changes to bill print/template

- Changes to forms or letters

- Extended telephone training

3.2.1 Rate Card

Any billable services to the Service beyond go-live will be performed at the then prevailing rate as published by SpryPoint on an annual basis. Any enhancements will be implemented pursuant to the change control process as outlined in section 4.3.

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4 Performance Measurement

4.1 Support Level Definitions & Responsible Parties

Client agrees to follow escalation procedures and is responsible for Tier 0 and Tier 1 Support desk functions before new application or functionality related to SpryPoint services is installed into production.

4.1.1 Client Responsibilities

Tier	Definition	Description
0-1	First-line support, which shall be the first level of utility contact, such as customer interactions with utility customer service representatives, or customer interactions with utility field office representatives.	Self-help, training issues, basic application navigation, functionality explanation, user and password management, preliminary technical troubleshooting, locked IP address resets, and other elevated administrative functions and preliminary troubleshooting and issue analysis.

4.1.2 SpryPoint Responsibilities

Tier	Definition	Description
0-1	First-line support, which shall be the first level of utility contact, such as customer interactions with utility customer service representatives, or customer interactions with utility field office representatives.	Maintain documentation for Client to resolve most Tier 0 and Tier 1 issues without requiring a transfer to specialized application support.
2-3	Experienced and knowledgeable technicians and technical resources available to: • Assess issues • Provide solutions • Problem resolution • New feature creation	Provide Tier 2 and 3 support for all SpryPoint applications which includes: • Support for SpryPoint applications including advanced technical and system administration responsibilities which may require application log, database access, or other code-related troubleshooting • Clearly defined points-of-contact, available to receive and appropriately respond to notice of incidents from Tier 1 • Advice and assistance for the applications and non-programming activities in direct support of users

		● Advise Client personnel of estimated time required to resolve an incident after root cause diagnosis ● Provide status updates during incident resolution.

4.2   Incident Reporting

The client shall designate a maximum number of named contacts to request and receive support services from SpryPoint. These named contacts must be trained on the SpryPoint services for which they initiate support requests.

To report an incident, submit a support request by:

- Phone - 855.TRY.SPRY

- E-mail – support@sprypoint.com

- SpryPoint support portal - support.sprypoint.com.

Incident reporting shall be available twenty-four (24) hours a day, seven (7) days a week, and 365 days a year.

Before reporting an incident, Client's personnel must collect as much of the following information possible:

Criteria	Description (Examples)
Date & Time:	When the issue started
Product & Function:	e.g. SpryCIS – Meter Reading
General Description:	Description of the issue/incident
Replication:	How to replicate the issue
Severity:	Per the severity levels defined below
Operating System:	iOS, Android, Windows
Device:	iPad, Samsung Tab, Microsoft Surface, Google Pixel
Browser:	Chrome, Safari, Internet Explorer, Firefox
Screenshots:	Provide screenshots of error if available

Support tickets are submitted to report incidents. Once submitted, Client will receive an automated response indicating the request has been received as well as the ticket number assigned by our system.

SpryPoint's Customer Success Team will address tickets according to the Severity Level. The SpryPoint team will determine the cause of the incident and begin the process for correction and/or remediation. Some possible causes of an incident to be reported are:

- **Bug/Problem** – an error, flaw, or fault in the application that causes it to produce an incorrect or unexpected result or behave in unintended ways.

- **Configuration Request** – a change or update to the behaviour of an application through a setting in the user interface.

- **New Feature Request** – an update to the behaviour of an application to provide new functionality or a new feature.

- **Training Issue/Question** – Client did not understand how or why something is behaving the way it is or needs to understand options to change the base behaviour.

- **Performance/Service Issue–** generally a high priority, high severity item that includes outages, downtime, and other issues affecting the usability of SpryPoint applications.

Additional detail on the ticket submission process may be found in Appendix A.

4.3 Incident Prioritization, Definitions, Responsible Parties, and Targets

Severity Level	Example of Severity Level	Response Target	Resolution Target	Update Frequency
1. Urgent	Client's business is not operational due to significant performance issues or outage, creating a substantial financial impact and/or number of customers impacted. Critical business function(s) cannot be performed and/or a key component is unavailable or is non-functional. There is no immediate work around. Urgent incidents get top priority until resolved Examples of Severity 1 incidents include but are not limited to: ● System is unavailable (outage), ● Unable to perform a key function such as calculation of bills or billing process, ● A key function is malfunctioning creating a severe financial/customer impact ● Any event that impacts more than 20% of the customer base. ● Severity Level 1 issues are subject to an Incident Post-mortem by SpryPoint	1 Hour	4 hours	1 hour
2. Critical	Client's business is operational but the ability to perform business functions is severely disabled/impacted, A critical business function or functions are partially operational or operating by use of a workaround only sustainable for a short period of time. A critical business function or functions is operating at limited capacity or	2 Hours	16 Business Hours	4 Business Hours

	has a defect which creates errors or atypical results to customer records, transactions, or financials. Examples of Severity 2 incidents include but are not limited to: ● 10%-20% of the customer base are affected by bills which are calculating or rendering incorrectly ● Response times on transactions or screens are 3 times the normal response times (response times must be tracked at go-live for benchmark) ● Processes take 3 times as long to complete or error out (response times must be tracked at go-live for benchmark)			
3. Restricted Use	The service is experiencing an issue that can be worked around but is impacting client's efficient use of the service. The business is operational but with reduced efficiency. Examples of Severity 3 incidents to include but not limited to: ● Single account issue ● Business function has a slight restriction of function of non-critical nature ● A work around is required to maintain normal operations ● Non-performance impacting defect creates errors or incorrect results	4 Hours	120 Business Hours	40 Business Hours
4. Not Urgent	The service is fully functional but may contain a cosmetic flaw, a misspelling, or a cryptic message. A misinterpretation of the documentation or Client has questions on configuration or functionality. No operational, financial, or customer impact. Examples of Severity 4 incidents to include but not limited to: ● How Do I...? ● General inquiries	8 Hours	10 Business Days	Upon Resolution
5.	Enhancement requests	16 Hours	As Defined in Change Process	

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4.4   Triage

Based on the severity level of the support request, Client can expect a response from the SpryPoint support desk as indicated in the table above.

During this initial contact, the team has several objectives:

1. Confirm and/or clarify our understanding of the support request. Adjust reported severity level if necessary.
2. Document the use case where the issue occurs.
3. Document the variables involved. i.e., browser and version, device type, user, etc.
4. Establish a resolution plan and provide an estimated resolution time if possible.
5. If an estimated resolution time cannot be provided during the initial contact, Client will be provided with an estimate on the timeframe.
6. If the support request is Level 5 (Enhancement request), Client will be contacted to discuss the use case and scope of the enhancement. Enhancement specification and quotation will be delivered.
7. Resolution

4.5   Resolution

An Incident Resolution will indicate that the issue has been addressed and resolved, pending confirmation from Client's designated contact. If for any reason Client is not satisfied with the resolution, Client may request the issue to be re-opened.

4.6   System Maintenance

The primary contact for the ongoing maintenance and support of the application is SpryPoint's Customer Success team. Although rare, SpryPoint may, at its discretion, schedule a system maintenance window, during which time normal production services may not be available. Planned system maintenance windows are mutually agreed upon with the Client. Whenever possible, SpryPoint will attempt to plan Scheduled Maintenance to coincide with Client's IT system maintenance windows and outside the hours of 8:00 a.m. and 5:00 p.m. Eastern Standard Time.

There may be some instances where updates may be required immediately or within a short timeframe to maintain the integrity or functionality of SpryPoint applications. In such cases, SpryPoint will notify Client's designated contact of an unplanned system maintenance requirement and will work with Client to deploy the necessary changes during the earliest, mutually favorable time. SpryPoint will promptly notify Client's designated contact of any downtime and provide confirmation once full functionality is restored.

In extraordinary circumstances, it may be necessary to take the system offline or otherwise prevent access to applications. This would be the result of an exceptional situation (i.e., a zero-day vulnerability) where SpryPoint would take preventive action to mitigate any potential adverse impact to our clients.

4.7 Device and Operating System Support

SpryPoint shall use commercially reasonable efforts to identify a root cause and provide technical solutions therein for any reported bugs, defects, issues, etc., provided that the Software or Services are not otherwise impaired at the start of the then-current Service Term and has been properly maintained by Client in accordance with SpryPoint's policies. SpryPoint is not required to support its applications in the following circumstances:

- Hardware that is no longer supported by its manufacturer.

- Operating systems or versions of operating systems which are no longer supported or updated by their authors (e.g., Apple, Google, Microsoft, etc.).

- Errors that are a result of product misuse, negligence, or improper utilization of any or all part of the Software or Services.

- Issues that are a result of electrical failure, internet connections problems, and all data issues deemed to be under Client's exclusive control and responsibility including but not limited to: data input and output are outside the scope of this service level agreement.

Maintenance for unsupported operating systems and/or hardware may be available to clients at an additional charge.

4.8 Incident Post-mortem Process

The Incident Post-mortem Process at SpryPoint includes the following:

Action	Objective
Summary of What Happened	- Which services and customers were affected? - How long and severe was the issue? - Who was involved in the response? - How was the issue resolved?
Root Cause Analysis	- What were the origins of failure? - Why do we think this happened?
Steps Taken to Diagnose, Assess and Resolve	- What actions were taken? - Which were effective? - Which were detrimental?
Timeline of Significant Activity	Centralize key activities from monitoring tools, ticket management, incident details, and internal and external communications.

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Learnings and Next Steps	- What went well? - What didn't go well? - How do we prevent this issue from happening again?
Summarize Findings	Circulate summary to affected Clients upon request

4.9   Support Hours

Client support is provided during SpryPoint business hours, 8:00 a.m. to 8:00 p.m. Eastern Standard Time, Monday through Friday (excluding holidays).

After-hours, on-call support is available when requested. This provides extra support when migrating, updating, or upgrading integrated line of business applications. After-hours, on-call support rates are negotiated on a project-by-project basis.

4.10   Holidays

Response to requests other than Severity Level 1 may be delayed up to 24 hours during holidays observed by SpryPoint as outlined below.

Holiday	Date (On or Around)
New Year's Day*	January 1st
Provincial Holiday	Third Monday in February
Good Friday	Late March/Early April
Victoria Day	Third Monday in May
Canada Day*	July 1st
Civic Holiday	First Monday in August
Labour Day	First Monday in September
National Day of Truth and Reconciliation	September 30
Thanksgiving (Canadian)	Second Monday in October
Remembrance Day*	November 11th
Christmas Day*	December 25th
Boxing Day*	December 26th

*If a holiday falls on a weekend, it will be observed the following Monday.

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5   Service Level Agreements

Service Level Agreements (SLAs) provide clarity around the commitments to deliver the Service and set expectations for both parties relative to the Client's business and the impact/role of the Service within the Client's business.

5.1   Service Availability

SpryPoint will use commercially reasonable efforts to make our Services available with an uptime percentage of at least 99.5% within a given calendar month.

5.1.1   Exclusions, Exceptions and Limitations

This does not apply to any Service performance issues caused by factors; (i) outside of SpryPoint's reasonable control, including any force majeure event or Internet access or related problems beyond the demarcation point of SpryPoint; (ii) that result from Client's equipment software or other technology such as metering technology, payment and data processing services, networking technology and/or third party equipment, software, integration services or other technology (other than third party equipment within our direct control); (iii) that result from any scheduled maintenance as provided for pursuant to this Agreement; or (iv) arising from SpryPoint's suspension and termination of Customer's right to use Software.

5.2   Incident Resolution Time Adherence

SpryPoint will use commercially reasonable efforts to hit the Resolution Targets defined by Severity Level in Section 4, above.

5.3   Service Credits

In the event of a failure by SpryPoint to meet the Service Availability and Incident Resolution Targets as defined in this SLA, as the Client's sole and exclusive remedy, at Client's request, SpryPoint will provide Service Credits in accordance with the following:

a. First month of missed service availability or incident resolution target, SpryPoint and Client will meet to discuss possible corrective actions
b. Second consecutive month: 10% of the Subscription Fee paid for the applicable month of the affected SpryPoint application
c. Third consecutive month: 20% of the Subscription Fee paid for the applicable month of the affected SpryPoint application
d. Fourth consecutive month: 30% of the Subscription Fee paid for the applicable month of the affected SpryPoint application
e. Fifth consecutive month: 40% of the Subscription Fee paid for the applicable month of the affected SpryPoint application
f. Sixth consecutive month: 50% of the Subscription Fee paid for the applicable month of the affected SpryPoint application
g. More than six consecutive months: Within thirty (30) days of such failure Client shall have the option to terminate the entire Agreement and upon termination Client shall receive a refund of all prepaid subscription fees that are unearned as of the date such termination becomes effective.
h. Service Credits shall be deducted from subsequent invoices for Subscription Fees, or upon the termination or expiration of the Agreement the Service Credits would be paid directly to the Client.

SpryPoint will provide a report of Service Availability and Incident Resolution Target adherence within fifteen (15) days of the end of each month and Client will have thirty (30) days from the end of each month to request those Credits.

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6   Periodic Service Reviews

6.1   Periodic Review of Open Tickets and Outstanding Issues

Such reviews are offered by SpryPoint upon client request and may be held either monthly or quarterly as agreed by both parties. Reviews are led by a member of the SpryPoint Customer Success Team and commonly include:

- Discussion and review of open or recently closed tickets

- Discussion and review of recent or forthcoming product releases

6.2   Periodic Review of Service Level Agreement Performance

Such reviews will be held annually (or on a periodic basis as agreed by both parties). Either party may request the review. The review will be led by the Manager of Customer Success and shall include:

- Discussion and resolution of any issues that may arise under an SLA

- Service delivery since last review

- Major deviations from service targets

- Negotiate proposed changes to the SLA

- Resolve concerns about service delivery

- Discuss any staffing changes for SpryPoint or Client

The review mechanism shall include an escalation procedure under which any unresolved issues are escalated for immediate resolution. Disagreements shall initially be handled by means of the following escalation provision:

6.2.1   Escalation

In the unlikely event that a customer needs to escalate an issue beyond the Support Analyst in charge, the following is the path of that escalation:
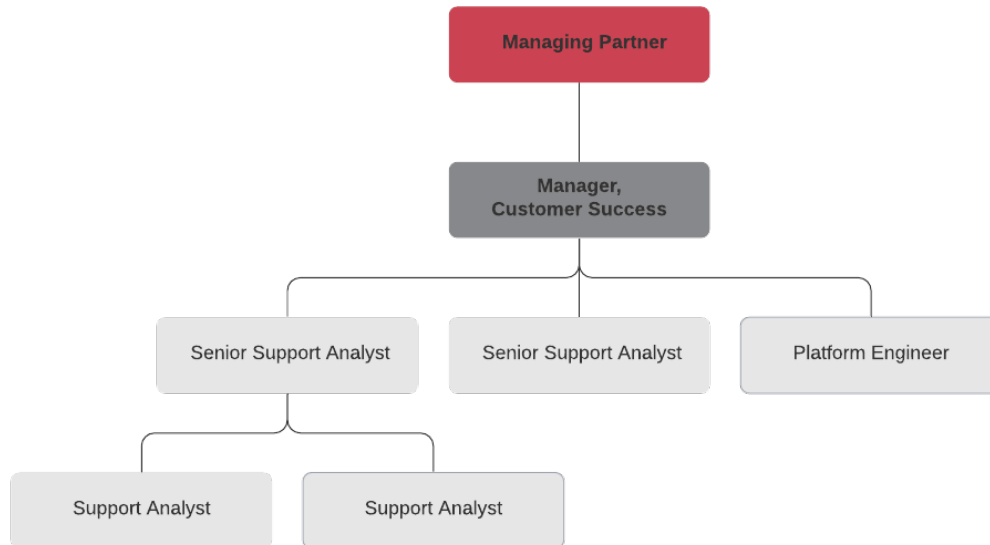
If the Client is unable to get appropriate support from the assigned support analyst or senior support analyst, the client may escalate first to Shelley MacLeod, Manager of Customer Success and then to any Managing Partner at SpryPoint, however Kyle Strang is the Managing Partner responsible for Customer Success-related escalations.

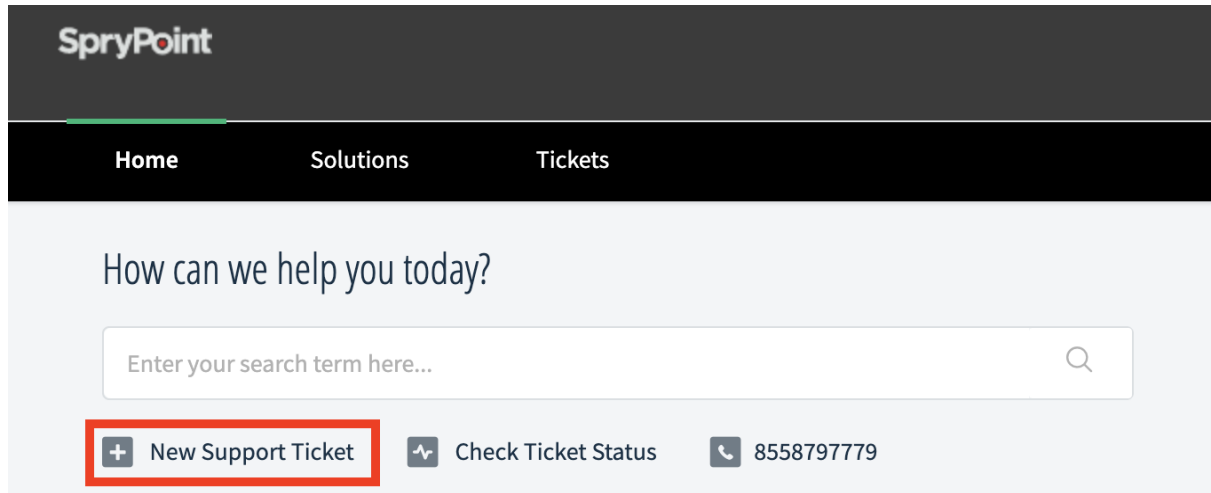Contact information for the Customer Success Management Team:

Shelley MacLeod,
Customer Success Manager
smacleod@sprypoint.com
Office: 902.510.1770
Mobile: 902.213.0950

Kyle Strang
Managing Partner
kstrang@sprypoint.com
Office: 617.939.9016
Mobile: 902.476.7930

7   Appendix A – Support Process Supplemental Information

7.1   Creating a Ticket

1. Log into support.sprypoint.com
2. Choose New Support Ticket

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SpryPoint

Home	Solutions	Tickets

How can we help you today?

Enter your search term here...

🔍

➕ **New Support Ticket**   〰️ Check Ticket Status   📞 8558797779

Provide as much information as you can in the required fields.

Submit a ticket

Requester *

smacleod@sprypoint.com

Subject *

TEST CASE - Ignore

Priority *

Low

Description *

B   *I*   U | ≔   ≔ | A   A | GO   🖼️   Ax

Test Case. Ignore

+ Attach a file

SUBMIT   CANCEL

131

*The Description Field could include:

- Walkthrough of question/issue

- Steps to reproduce

- Sample accounts

- Actual vs. expected outcome

- Supporting documentation (i.e., error message, as attachment)

Once submitted, Client will receive an automated response indicating the request has been received as well as the ticket number assigned by our system

7.2 Check ticket status

1. Log into support.sprypoint.com

2. Search by Open or Pending tickets

3. Sort by date created or last modified

4. Click on the ticket to view current status, agent

7.3 Release Management

SpryPoint provides releases for all applications on a regular basis. Releases are deployed after standard business hours and are live in the systems the next morning. Release Notes are provided with each release and highlight new features, enhancements, and fixes.

The Customer Success Team will assist in reviewing, evaluating, and adopting the new features and functionality found in the new releases.

Primary contacts from each organization are included on the distribution list for the Release Notes. If you would like to be included, please submit a ticket with your contact information to the support desk.

7.4 Account Management

SpryPoint works to ensure that your applications stay running to support your business predictably and efficiently.

Our Customer Success Team provides more than just support for reported issues. We are also focused on Customer Satisfaction and Customer Enablement. We will work with you to assist in adopting and maximizing your SpryPoint applications through:

7.5 Training/Help

Implementing a new system takes time and there is a lot to learn when processes and software changes. Our team is here to help you make the most of your investment with SpryPoint.

Throughout the implementation, SpryPoint provides training for administrators and end-users to prepare them for system go-live. After the organization has been live in the production environment and staff have been using the application, it is helpful to schedule some refresher training to review processes and functionality and answer any questions.

As we continue to grow, clients will see more self-directed training and webinars.
SpryPoint Help Files (Knowledge Base) are available in-app. We have attempted to address issues and questions in advance of you asking, but it is inevitable that some have been missed. If you have searched the Knowledge Base and did not find an answer, please submit a ticket.

7.6   Best Practices

Is there something slowing a process down? Talk to us about it, we may have heard about it from another customer, or through industry contacts.

Through conversations with customers, we discover new and innovative solutions to common problems. We collect the information and add it to our experience and knowledge to provide best practices that can be used in your organization.

The Customer Success Team is always available to discuss any challenges you are facing, brainstorm solutions, and take part in the innovation process.

7.7   Check-Ins

We are more than a support team. We are your partners, invested in your success. We reach out to clients on a regular basis to check in and make sure that everything is going well, and you are happy with your SpryPoint applications. The call is usually informative for us and the customer as we learn a lot by asking if there is any way we can help or anything we can do better.

When we ask you questions about your organization and the way you use our applications, it is so we can better understand your environment, business goals, and future initiatives, and provide recommendations to any issues that you may have.

At your request, we will schedule regular meetings with the Customer Success team and your team using the application. This time can be used to review open items, discuss future initiatives, or answer questions.

7.8   Monitoring

SpryPoint applications are monitored for uptime and performance 24/7 using the latest technology. If unexpected conditions or performance degradation is detected, the team is notified automatically and instantly. The Customer Success Team watches for performance issues in real-time and applies updates to fix issues within minutes, often before customers have even noticed a problem.

7.9   Auditing

SpryPoint's monitoring tools provide us with Service Level Agreement reports to ensure that we maintain availability and performance standards. We review the reports monthly to ensure you are getting the best experience possible.

7.10   Integrated Quality Assurance

Quality assurance is a critical component of customer success. A customer encountering an issue indicates that quality can be improved, either through documentation, training, product improvement, or more comprehensive testing.

For the product team to deliver software, the last internal step, before going to the customer, is to run it through with QA resources to fully understand, experience, verify documentation, and create release notes and customer adoption process.

SpryPoint

SMART SOLUTIONS FOR SMART UTILITIES

Exhibit D – Insurance Coverage

45 Queen Street
Charlottetown,
PE
C1A 4A4, Canada

sprypoint.com

SpryPoint will maintain during the entire Term of this Agreement, at its own expense, the insurance coverage below which meets or exceeds the coverages and limits as specified in the Client's RFP. The policies shall include an endorsement naming Client as an additional insured with respect to the provision of services provided under this agreement. Insurance coverage for this agreement will be at a minimum as follows:

1. **COMMERCIAL GENERAL LIABILITY INSURANCE**

   SpryPoint shall maintain Commercial General Liability Insurance covering all operations by or on behalf of SpryPoint on a per occurrence basis against claims for personal injury and property damage. Policy limits are subject to review, but shall in no event be less than, the following:

   $3,000,000 Each Occurrence
   $6,000,000 General Aggregate
   $3,000,000 Personal and Advertising Injury
   $2,000,000 Products/Completed Operations Aggregate
   $2,000,000 Non-Owned Automobile

   Coverage Includes:

   (a) Separation of Insureds, Cross Liability
   (b) Contractual Liability
   (c) Products-completed Operations
   (d) Contingent Employer's Liability

2. **COMMERCIAL AUTOMOBILE LIABILITY INSURANCE**

   SpryPoint shall maintain Commercial Automobile Liability Insurance covering liability arising out of the operation of any vehicle (including owned, non-owned and hired vehicles).

   $2,000,000 Each Occurrence
   $2,000,000 Annual Aggregate

3. **ERRORS AND OMISSIONS AND CYBER INSURANCE**

   SpryPoint shall maintain Errors and Omissions and Cyber Insurance covering liability third party claims and losses with respect to network risks (such as data breaches, transmission of virus/malicious code; unauthorized access or criminal use of third party, ID/data theft) and invasion of privacy regardless of the type of media involved in the loss of private information.

   $3,000,000 Per Claim

4. **WORKERS' COMPENSATION**

   SpryPoint shall maintain Workers Compensation Insurance through the Workers Compensation Board of Prince Edward Island (WCBPEI). The Workers Compensation Board (WCBPEI) is a Provincial Government Organization that is

responsible for all Workers Compensation related incidents for employees of companies based on Prince Edward Island. As an employer based in Prince Edward Island, SpryPoint is legally required to maintain Workers Compensation insurance through WCBPEI. If there is a workplace incident related to SpryPoint employees, coverage is provided by the WCBPEI regardless of the location. SpryPoint will provide Client with a copy of the Workers Compensation Clearance letter issued by WCBPEI which confirms SpryPoint's coverage and that our account is in good standing.

5. ADDITIONAL INSURANCE RELATED PROVISIONS

6.1 SUBCONTRACTORS. SpryPoint agrees to ensure that subcontractors, and any other party involved with the Services who is brought onto or involved in the performance of the Services by SpryPoint, provide the same minimum insurance coverage required of SpryPoint, except as with respect to limits. SpryPoint agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. SpryPoint agrees that upon request by Client, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to Client for review.

6.2 EVIDENCE OF COVERAGE. Prior to commencement of any Services under this Agreement, SpryPoint, and each and every subcontractor shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage as indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to the Client and as described in this Agreement. SpryPoint shall file with the Client all certificates and endorsements for the required insurance policies for Client's approval as to adequacy of the insurance protection.

6.3 TERMINATION. All policies shall contain an endorsement providing that written notice be given to the Client at least thirty (30) calendar days prior to termination, cancellation or reduction in coverage policy. Insurance policies shall remain in force until all work has been completed. If a policy does expire during the life of the Contract, a renewal certificate of the required coverage will be sent to the Client not less than ten (10) workdays prior to expiration date. SpryPoint will maintain during the entire Term of this Agreement, at its own expense, the insurance coverage below which meets or exceeds the coverages and limits as specified in the Client's RFP. The policies shall include an endorsement naming Client as an additional insured with respect to the provision of services provided under this agreement. Insurance coverage for this agreement will be at a minimum as follows:

Exhibit E – Security Overview

Table of Contents

1. Overview

This security document ("Exhibit") details the security policy, procedures, and technologies used to protect client data. This document applies to SpryPoint's production software-as-a-service (SaaS) offering ("The Service"), client data stored in the service, and work performed by SpryPoint implementing, maintaining, and supporting the service. SpryPoint has established a comprehensive Written Information Security Program ("WISP") which includes defining, documenting, and supporting the implementation and maintenance of the administrative, technical, and physical safeguards the firm has selected to protect the information it collects, creates, uses, and maintains.

This program uses both technologies and business policies to

- Ensure the confidentiality of client's data from any unauthorized parties;

- Protect the integrity of data; and

- Maintain availability of the service by using scalable hosting with fault tolerance.

SpryPoint's security program is based on the NIST SP 800-53 standard and the concepts of Zero Trust. The program may evolve over time as the standard is revised. These evolutions will never degrade the strength of the program.

2. Personnel

2.1. Personnel Overview

2.1.1. All SpryPoint employees are subject to background screening prior to being employed, and employment agreements cover confidentiality, non-disclosure, and other key protections.

2.1.2. SpryPoint has a dedicated information security officer who is responsible for managing and continuously improving SpryPoint's security posture. The information security officer can be reached at security@sprypoint.com.

2.2. Security Awareness & Training

2.2.1. Employees receive security awareness training during their onboarding, and SpryPoint employees are subject to mandatory ongoing cybersecurity and phish awareness training on a regular basis. All employees are encouraged to attend security conferences where practicable.

2.2.2. Employees must read and adhere to the Information Security Policies and must re-certify each year.

2.3. End User Devices

Employees agree to the Asset Management Policy with regards to acceptable use. All end user devices provisioned by SpryPoint are hardened and equipped with:

- Mobile Device Management (MDM) software.

- Full Disk Encryption.

- Anti-Malware Software.

- Strong Password policies.

- Secure Password Vault.

2.4. Access Control

2.4.1. To ensure only authenticated users access data they are authorized to access, SpryPoint maintains policies and procedures regarding the following areas:

- Access Control Policy

- Business Continuity and Disaster Recovery Plan

- Cryptography Policy

- Human Resources Security Policy

- Information Security Policy

- Operations Security Policy

- Risk Management Policy

- Third-Party Management Policy

- Asset Management Policy

- Code of Conduct

- Data Management Policy

- Incident Response Plan

- Information Security RACI

- Physical Security Policy

- Secure Development Policy

2.4.2. User accounts on SpryPoint's Services use role-based security to enable least privilege authorization. Passwords on the service are protected by industry best practices, using industry-standard encryption algorithms. Access to systems can be configured to use Single-Sign-On identity providers such as Azure Active Directory, Okta, or other identity providers.

2.4.3. Where possible, services are whitelisted to specific IP ranges rather than the open internet. SpryPoint staff use VPN services to connect to SpryPoint services where appropriate.

2.4.4. Policies cover data classification and protection of classified and restricted data.

2.5.   Physical Security

The SpryPoint office is alarmed with unique codes per employee, and is protected via electronic key cards & fobs. The SpryPoint office does not provide physical access to production systems from inside the office.

2.6.　　　Monitoring

2.6.1.　SpryPoint collects application and infrastructure logs to validate service uptime and operational status, to assist with troubleshooting system issues, and to protect and secure our networks and Client Data. Events are maintained for a period of at least one year.

2.6.2. Logs may include login ID, timestamps, login authorization granted or denied, number of denied login attempts, system load data such as CPU% and free memory, data changes within the system, or other relevant information and activity.

2.7.Control Assessments

SpryPoint maintains a documented risk management program that includes an annual risk assessment.

3. Data Integrity & Privacy

3.1. Data

3.1.1.　 The Service is provided through secure data centers operated by an ISO 27017:2015 certified third party.

3.1.2.　Data is encrypted at rest and in transit.

3.1.3.　Data backups are performed daily, and tests to restore the data are run regularly

3.1.4. Questions regarding data privacy may be directed to privacy@sprypoint.com.

3.2.　　　Personally Identifiable Information (PII)

Confidential PII is compartmentalized and encrypted with unique record-level keys and an additional level of encryption.

3.3.Secure Disposal

SpryPoint policies mandate secure disposal or destruction of personal information, whether in paper or electronic form, when it is no longer to be retained in accordance with applicable laws or defined policies.

4. Secure Application & Infrastructure Development

4.1. Least Privilege

Only authorized Personnel with a specific business purpose are allowed access to production and development environments and/or resources.

4.2.   Peer Code Reviews

All code changes require a code review before allowing a merge.

4.3.Vulnerability Management

4.3.1.   SpryPoint uses automated tools to check for vulnerabilities in the software and any framework dependencies.

4.3.2. Vulnerabilities are triaged and remediation timelines are managed as per a Service Level Agreement.

4.4.   Configuration Management

4.4.1.   SpryPoint has embraced infrastructure as code to ensure repeatability, and to streamline the application of security patches and updates. Deployment is managed via a CI/CD pipeline.

4.4.2. Infrastructure changes are documented and scheduled and contain approval chains and rollback plans.

4.5.   Incident Response Procedures

SpryPoint's incident response policy includes well-defined procedures to be followed in the event of a breach or threat of any application or system associated with the accessing, processing or storage of data.

4.6.   Contingency Planning

SpryPoint has a program to test and improve disaster recovery run books and business continuity plans. The security and DevOps teams perform BC/DR testing, conduct simulations, and request feedback to improve the plan.

<div align="center">

Exhibit E
SpryPoint Data Processing Exhibit

</div>

This Data Processing Exhibit ("DPE") forms a part of and is subject to the SpryPoint Master Subscription Agreement ("Agreement"), applicable Pricing Schedule or Statement of Work or other written subscription agreement (together with any attachments issued thereunder, the "Agreement") between SpryPoint Services Inc. ("SpryPoint") and the Party identified as the "Client" in the Agreement, where Client is using SpryPoint's Software and Services. This DPE reflects the Parties' agreement with regards to the applicable Privacy/Data Protection Laws and governs the data processing related obligations of SpryPoint and Client for any applicable Subscription or Statement of Work involving the processing of Client's Personal Information. In the event of any inconsistency or conflict between this DPE and the Agreement, the terms and conditions of the DPE shall prevail. In delivering the Software or Services under the Agreement, SpryPoint may Process Personal Information/ Personal Data as a Data Processor on behalf of Client, which is the data controller. It is hereby agreed as follows:

Definitions

Unless otherwise defined below, all capitalized terms have the meaning given to them in the applicable Agreement and/or exhibits thereto.

"Covered Data" means (i) Client Data, (ii) Technical Services Data, and (iii) any other electronic data or information submitted by or on behalf of Client to a Covered Service.

"Covered Service" means (i) any Service provided that specifically refers to this DPE, and/or, (ii) any Technical Services.

"Data Controller" means the entity which, alone or jointly with others, determines the purposes and means of the Processing of Personal Data.

"Data Processor" means the entity which Processes Personal Data on behalf of the Data Controller.

"Data Protection Laws" means all data protection laws applicable to the Processing of Personal Data under this DPE, including local, state, national and/or foreign laws, treaties, and/or regulations.

"Data Subject" means the person to whom the Personal Data relates.

"Personal Data" means any Covered Data that relates to an identified or identifiable natural person.

"Personal Data Breach" means (i) a 'personal data breach' or (ii) any Security Breach affecting Personal Data.

"Processing" or **"Process"** means any operation or set of operations performed on Personal Data or sets of Personal Data, such as collecting, recording, organizing, structuring, storing, adapting or altering, retrieving, consulting, using, disclosing by transmission, disseminating or otherwise making available, aligning or combining, restricting, erasing or destroying.

"Subprocessor" means a SpryPoint Affiliate or third-party entity engaged by SpryPoint or a SpryPoint Affiliate as a Data Processor under this DPE.

"Subprocessor List" means the subprocessor list identifying the Subprocessors that are authorized to Process Personal Data for the relevant Covered Service.

1. **Subject and Scope**

1.1. **Scope and Role of the Parties.** This DPE applies to the Processing of Personal Data by SpryPoint to provide the Covered Service. For the purposes of this DPE, Client and its Affiliates are the Data Controller(s) and SpryPoint is the Data Processor. SpryPoint shall Process Personal Information/ Personal Data under the Agreement(s) only as a processor acting on behalf of Client where Client is the Data Controller, SpryPoint agrees that it will Process Personal Information/ Personal Data for the sole purpose of providing the Services as described in the Agreement(s).

1.2. **Purpose.** Client discloses Personal Information/ Personal Data to SpryPoint solely for: (i) a valid business purpose; and (ii) SpryPoint to perform the Services.

1.3. **Instructions for Processing.** SpryPoint shall Process Personal Data in accordance with Client's documented instructions. Client instructs SpryPoint to Process Personal Data to provide the Covered Service in accordance with the Agreement (including this DPE). Client may provide additional instructions to SpryPoint to Process Personal Data, however SpryPoint shall be obligated to perform such additional instructions only if they are consistent with the terms and scope of the Agreement and this DPE.

1.4. **Prohibitions.** SpryPoint is prohibited from: (i) selling Personal Information/ Personal Data; (ii) retaining, using, or disclosing Personal Information/ Personal Data for a commercial purpose other than providing the Services; and (iii) retaining, using, or disclosing the Personal Information/ Personal Data outside of the Agreement between SpryPoint and Client.

1.5. **Warranty.** Client warrants and represents that it is and will at all relevant times remain duly and effectively authorized to give such instruction.

1.6. **Sole Responsibility.** Client is solely responsible for obtaining all necessary consents, licenses and approvals for the collection and Processing of any Personal Information/ Personal Data.

1.7. **Compliance with Laws.** SpryPoint shall comply with all Data Protection Laws applicable to SpryPoint in its role as a Data Processor Processing Personal Data. For the avoidance of doubt, SpryPoint is not responsible for complying with Data Protection Laws applicable to Client or Client's industry such as those not generally applicable to online service providers. Client shall comply with all Data Protection Laws applicable to Client as a Data Controller and shall obtain all necessary consents, and provide all necessary notifications, to Data Subjects to enable SpryPoint to carry out lawfully the Processing contemplated by this DPE.

2. **Technical, Organizational Measures and Security**

2.1. **Security Measures.** SpryPoint implements and maintains appropriate technical and organizational measures to ensure a level of security appropriate to the risk. The parties agree that the security measures are appropriate to protect Personal Information/ Personal Data against a Personal Information/ Personal Data Security Incident, and that these measures ensure a level of security appropriate to the risks presented by the Processing and the nature of the Personal Information/ Personal Data to be protected having regard to the state of the art and the cost of their implementation and the nature, scope, context and purposes of Processing as well as the risk of varying likelihood and severity for the rights and freedoms of natural persons.

2.2. **Confidentiality.** SpryPoint shall ensure that any person authorized to Process the Personal Information/ Personal Data is subject to a strict duty of confidentiality and that they Process

the Personal Information/ Personal Data only for the purpose of delivering the Services under the Agreement to Client.

2.3.   **SOC 2 Compliance**. SpryPoint is currently undergoing an audit for SOC 2 Compliance. Upon successful completion, at a minimum, SpryPoint agrees to maintain SOC2 Type 2 compliance. SpryPoint may modify its Security Measures from time to time and at any time, provided, however, that it will not materially reduce the level of protection as provided in this DPE. Upon request by Client, SpryPoint will provide annual SOC report, or audit reports, with development and implementation of any corrective action plans.

2.4.   **Processing Terms.** At all times that SpryPoint Processes, and/or has access to Personal Information/ Personal Data, SpryPoint shall (a) Process such Personal Information/ Personal Data only in accordance with Client's documented instructions (b) not Sell (as defined under CCPA) Personal Information/ Personal Data, or retain, use, or disclose such Personal Information/ Personal Data (i) for any purpose other than for the specific purpose of performing the Services or (ii) outside the direct business relationship between Client and SpryPoint.

2.5.   **Acknowledgement.** Acknowledging that Client (and not SpryPoint): (i) controls the nature and contents of Client Data (including any Personal Information/ Personal Data therein); and (ii) acts as its own system administrator and controls user access to Client Data (including any Personal Information/ Personal Data therein), Client represents and warrants that on the date of this DPE and during the Term:

2.5.1.   Personal Information/ Personal Data has been and will be collected and Processed by Client in accordance with applicable Privacy/Data Protection Laws;

2.5.2.   Client will take all steps necessary to ensure it achieves the foregoing, including without limitation, by providing Data Subjects with appropriate privacy notices, obtaining any required consent, and ensuring that there is a lawful basis for Contracted Processors to Process Personal Information/ Personal Data.

3.   Subprocessors

3.1.   **Use of Subprocessors.** Client hereby agrees and provides a general prior authorization that SpryPoint and SpryPoint Affiliates may engage Subprocessors. SpryPoint or the relevant SpryPoint Affiliate engaging a Subprocessor shall ensure that such Subprocessor has entered into a written agreement that is no less protective than this DPE. SpryPoint shall be liable for the acts and omissions of any Subprocessors to the same extent as if the acts or omissions were performed by SpryPoint.

3.2.   **Notification of New Subprocessors.** SpryPoint shall make available to Client a Subprocessor List and provide Client with a mechanism to obtain notice of any updates to the Subprocessor List. At least thirty (30) days prior to authorizing any new Subprocessor to Process Personal Data, SpryPoint shall provide notice to Client by updating the Subprocessor List.

3.3.   Approved SpryPoint's Sub-Processors

Sub-Processor	Country	Website	Service Provided
Amazon Web Services	United States	aws.amazon.com	Cloud Infrastructure
Freshdesk	United States	www.freshworks.com	Customer Service

Heroku	United States	www.heroku.com	Cloud Infrasturcture
Twilio	United States	www.twilio.com	SMS Delivery service
Twilio Sendgrid	United States	www.twilio.com/sendgrid/email-api	Email Delivery Service
Solarwinds Papertrail	United States	www.papertrail.com	Log Management Service
Raygun	United States	www.raygun.com	Application Management Service

3.4. **Sub-Processor Compliance** Prior to engaging any Subprocessor, SpryPoint performs commercially reasonable diligence to evaluate their security, privacy and confidentiality practices, and executes an agreement implementing its applicable obligations.

To the best of its ability, SPRYPOINT will oversee each of its subprocessors that may have access to or otherwise create, collect, use, or maintain personal information on its behalf by:

- Evaluating the service provider's ability to implement and maintain appropriate security measures, consistent with SpryPoint's security standards and all applicable laws and SpryPoint's obligations.
- Requiring the service provider by contract to implement and maintain reasonable security measures, consistent with SpryPoint's security standards and all applicable laws and obligations.
- Monitoring the service provider's performance to verify compliance with SpryPoint security standards and all applicable laws and SpryPoint's obligations.

4. **Rights of Data Subjects**

4.1. **Assistance with Data Subject Requests.** SpryPoint will, in a manner consistent with the functionality of the Covered Service and SpryPoint's role as a Data Processor, provide reasonable support to Client to enable Client to respond to Data Subject requests to exercise their rights under applicable Data Protection Laws ("**Data Subject Requests**").

4.2. **Handling of Data Subject Requests.** For the avoidance of doubt, Client is responsible for responding to Data Subject Requests. If SpryPoint receives a Data Subject Request or other complaint from a Data Subject regarding the Processing of Personal Data, SpryPoint will promptly forward such request or complaint to Client, provided the Data Subject has given sufficient information for SpryPoint to identify Client.

5. **Cooperation**

To the extent SpryPoint is required under Privacy/Data Protection Laws, SpryPoint will assist Client to comply with Privacy/Data Protection Laws; in particular (i) SpryPoint will assist Client in responding to any request from a data subject exercising his or her rights under the Privacy/Data Protection Laws; (ii) it will assist Client in responding to any request from regulatory or judicial bodies relating to the Processing of Personal Information/ Personal Data under the Agreement(s); (iii) it will promptly notify Client if its Processing of Personal Information/ Personal Data is likely to result in a high risk to the privacy rights of data subjects or is unable to comply with Client's instructions for any reason, (iv) and upon reasonable request, will assist Client to carry out data protection impact assessments.

6. **SpryPoint Personnel**

SpryPoint shall require screening of its personnel who may have access to Personal Data and shall require such personnel (i) to Process Personal Data in accordance with Client's instructions as set

forth in this DPE, (ii) to receive appropriate training on their responsibilities regarding the handling and safeguarding of Personal Data; and (iii) to be subject to confidentiality obligations which shall survive the termination of employment.

7.   **Personal Data Breach**
In the event SpryPoint becomes aware of a Personal Data Breach it shall without undue delay notify Client in accordance with the Security Breach provisions of the Master Subscription Agreement. To the extent Client requires additional information from SpryPoint to meet its Personal Data Breach notification obligations under applicable Data Protection Laws, SpryPoint shall provide reasonable assistance to provide such information to Client taking into account the nature of Processing and the information available to SpryPoint.

8.   **Security Program**

SpryPoint shall implement appropriate technical and organizational measures designed to protect Personal Data against accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Personal Data as set forth in the Security Exhibit. If SpryPoint becomes aware of a security incident or has a reasonable suspicion of a Personal Information/ Personal Data breach in respect of the Personal Information/ Personal Data being Processed under the Agreement(s), it will inform Client without undue delay and will provide reasonable information and cooperation to Client so that Client can fulfill any Personal Information/ Personal Data Security Incident reporting obligations it may have under the applicable Privacy/Data Protection Laws. SpryPoint will take reasonably necessary measures to remedy and mitigate the effects of the Security Incident as set forth in the Security Exhibit.

9.   **Audit**

Upon completion of our SOC2 in the first half of 2023, SpryPoint will use external auditors to verify the adequacy of its security measures and controls for the Software and Services provided under the Agreement. The resulting audit will: (i) be performed according to AICPA SOC2 standards or such other alternative standards that are substantially equivalent to AICPA SOC2; (ii) be performed by independent third-party security professionals at SpryPoint's selection and expense; and (iii) result in the generation of a SOC 2 Type 2 report ("Audit Report"), which will be SpryPoint's Confidential Information. The Audit Report can be made available to Client upon written request no more than annually subject to the confidentiality obligations of the Agreement or a mutually agreed non-disclosure agreement covering the Audit Report. For the avoidance of doubt, each Audit Report will only discuss Software and Services in existence at the time the Audit Report was issued.

Client agrees that, to the extent applicable, SpryPoint's then-current SOC 2 audit reports will be used to satisfy any audit or inspection requests by or on behalf of Client. In the event that Client, a regulator, or supervisory authority requires additional information, including information necessary to demonstrate compliance with this DPE, or an audit related to the Covered Service, SpryPoint will (i) make available to Client on request all information necessary to demonstrate compliance with this DPE, and (ii) allow for and contribute to audits, including inspections, by an auditor mandated by Client in relation to the Processing of the Personal Information/ Personal Data by SpryPoint.

10.   **Return and Deletion of Client Data and Personal Data**

Upon written request by Client made prior to or upon any expiration or termination of this Agreement, SpryPoint will make Client Data available to Client through the Service solely to allow Client to retrieve Client Data for a period of up to a total of sixty (60) days after such expiration or termination (the "Retrieval Period") at no additional cost to Client. The return of data may not be withheld or denied from Client for any reason including fee disputes. After such Retrieval Period, SpryPoint will have no obligation to maintain or provide any Client Data and shall thereafter, unless legally prohibited, delete all Client Data by deleting Client's Tenant. provided, however, that SpryPoint will not be required to remove copies of the Client Data from its backup media and servers

until such time as the backup copies are scheduled to be deleted, provided further that in all cases SpryPoint will continue to protect the Client Data in accordance with this Agreement. Client Data will be made available in a SpryPoint-supported format mutually agreed upon between the parties (for example, CSV, delimited text or Microsoft Excel). The foregoing deletion obligation will be subject to any retention obligations imposed on SpryPoint by Law. Additionally, during the Term of the Agreement, Clients may extract Client Data using SpryPoint's standard web services. Upon termination of the Covered Service, SpryPoint shall return and delete Personal Data in accordance with the relevant provisions of the Agreement.

11. General Provisions

11.1.   **Client Affiliates.** Client is responsible for coordinating all communication with SpryPoint on behalf of its Affiliates with regard to this DPE. Client represents that it is authorized to issue instructions as well as make and receive any communications or notifications in relation to this DPE on behalf of its Affiliates.

11.2.   **Termination.** The term of this DPE will end simultaneously and automatically at the later of (i) the termination of the Agreement or, (ii) when all Personal Data is deleted from SpryPoint's systems.

11.3.   **Conflict.** This DPE is subject to the non-conflicting terms of the Agreement. With regard to the subject matter of this DPE, in the event of inconsistencies between the provisions of this DPE and the Agreement, the provisions of this DPE shall prevail with regard to the parties' data protection obligations.

11.4.   **Client Affiliate** Enforcement. Client's Affiliates may enforce the terms of this DPE directly against SpryPoint, subject to the following provisions:

   11.4.1.   Client will bring any legal action, suit, claim or proceeding which that Affiliate would otherwise have if it were a party to the Agreement (each an "**Affiliate Claim**") directly against SpryPoint on behalf of such Affiliate, except where the Data Protection Laws to which the relevant Affiliate is subject require that the Affiliate itself bring or be party to such Affiliate Claim; and

   11.4.2.   for the purpose of any Affiliate Claim brought directly against SpryPoint by Client on behalf of such Affiliate in accordance with this Section, any losses suffered by the relevant Affiliate may be deemed to be losses suffered by Client.

11.5.   **Remedies.** Client's remedies (including those of its Affiliates) with respect to any breach by SpryPoint or its Affiliates of the terms of this DPE and the overall aggregate liability of SpryPoint and its Affiliates arising out of, or in connection with the Agreement (including this DPE) will be subject to any aggregate limitation of liability that has been agreed between the parties under the Agreement (the "**Liability Cap**"). For the avoidance of doubt, the parties intend and agree that the overall aggregate liability of SpryPoint and its Affiliates arising out of, or in connection with the Agreement (including this DPE) shall in no event exceed the Liability Cap.

11.6.   **Miscellaneous.** The section headings contained in this DPE are for reference purposes only and shall not in any way affect the meaning or interpretation of this DPE.

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Planning and Development Services Department

DATE: February 13, 2023

SUBJECT: Consider Approval – Bid Award for CIP 21-07 Fire Station 2 Rebuild; and Authorize the City Manager to Execute the Contract on behalf of the City with Fortune Ratliff General Contractors in the amount of $7,566,341.00.

                Staff: Thad Avery, Supervising Civil Engineer
                Recommendation: Approve

ATTACHMENTS: 1. Vicinity Map.

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been received from the project proponent (developer, applicant, agent, and/or participants) since January 1, 2023 (Government Code 84308).

RECOMMENDATION
1. For the City Council to award a contract for CIP 21-07, Fire Station 2 Rebuild – to Fortune-Ratliff General Contractors, in the amount of $7,566,341.00; and

2. For the City Council to authorize the City Manager to execute the contract on behalf of the City.

EXECUTIVE SUMMARY
Staff is recommending that City Council authorize the City Manager to award and execute the contract to Fortune-Ratliff General Contractors, who was the lowest responsible bidder from a bid opening that took place on January 10, 2023.

The project consists of the demolition & reconstruction of City of Clovis Fire Station 2 located at 2300 Minnewawa Avenue.

BACKGROUND
The following is a summary of the bids received on January 10, 2023:

BIDDERS	BASE BID
Fortune-Ratliff General Contractors	$7,562,341.00
Ardent General, Inc.	$7,785,000.00
ENGINEER'S ESTIMATE	$7,632,500.00

All bids were examined, and the bidder's submittals were found to be in order. Fortune-Ratliff General Contractors is the lowest responsible bidder. Staff has validated the lowest bidder contractor's license status and bid bond. The amount of the award is for $7,566,341.00 which includes alternate #1 in the bid proposal for an additional $4,000 above the base bid amount.

Fire Station 2 – History and Status
Fire Station 2, located on the west side of Minnewawa Avenue, north of Santa Ana Avenue was built in 1978 and began developing signs of structural issues several years ago. Staff commissioned a consultant in 2020 to perform an inspection of the building and make recommendations as to repairs needed. On October 5, 2020, the Fire Chief presented a report to Council outlining the issues with Fire Station 2 and options for refurbishing or replacing the fire station. Council provided direction to staff to move forward with replacing the station with a new, state-of-the-art, high-quality station. As part of the direction, it was decided to construct a building on the Fire Training Center site to temporarily house the crew for Fire Station 2 while a new Fire Station 2 building could be constructed. The construction of the building for the temporary housing facility is scheduled to be completed by the end of this month. Staff at Fire Station 2 is ready to vacate the existing building and make a transition to the temporary site so construction for this project can begin.

FISCAL IMPACT
This project was budgeted in the 2022-2023 Community Investment Program. The project is funded by the General Government Facilities through the City Community Investment Program.

REASON FOR RECOMMENDATION
Fortune-Ratliff General Contractors is the lowest responsible bidder. There are sufficient funds available for the anticipated cost of this project.
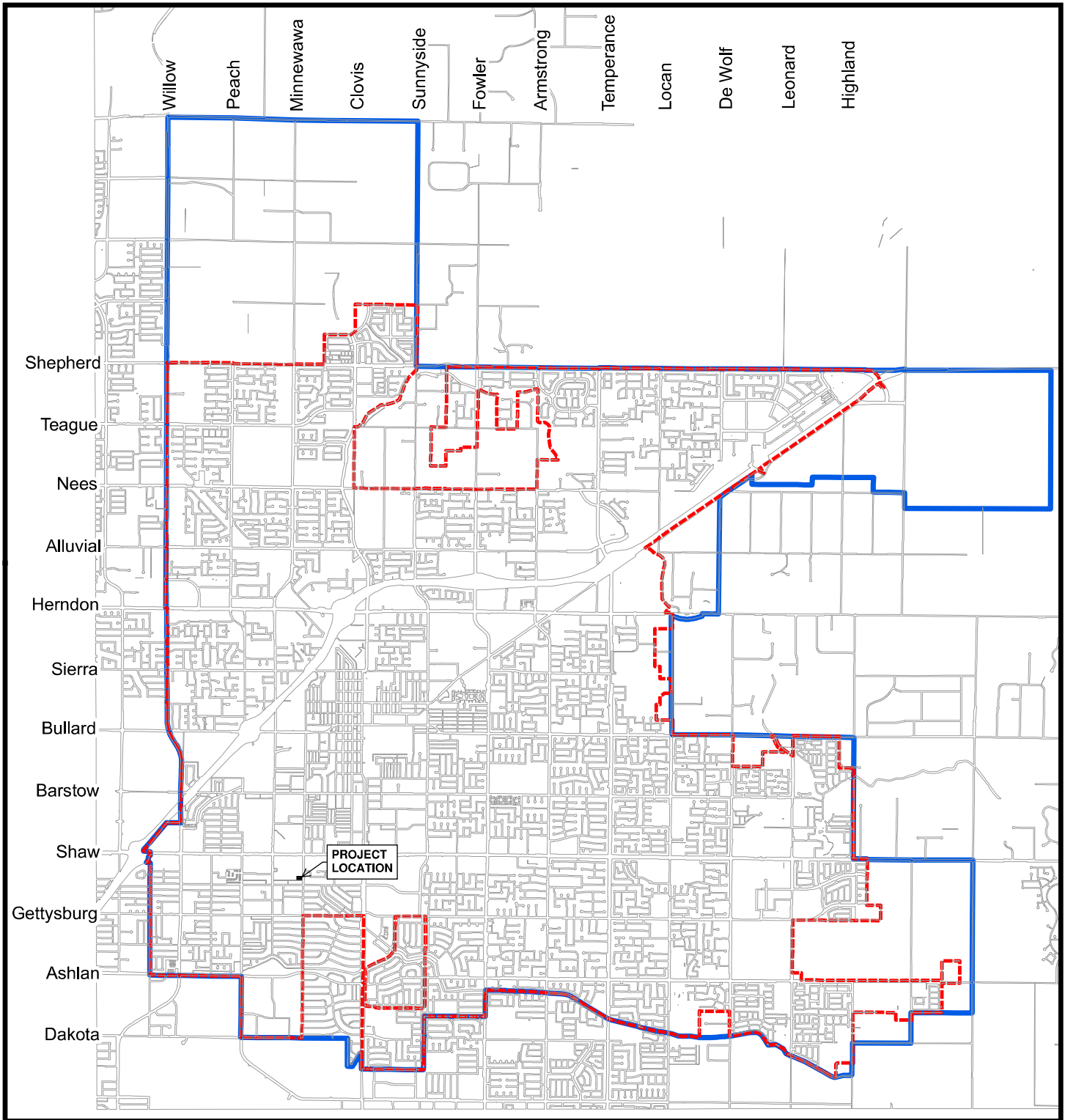
ACTIONS FOLLOWING APPROVAL
1. The contract will be prepared and executed, subject to the Contractor providing performance security that is satisfactory to the City.

2. Construction shall begin approximately two (2) weeks after contract execution and be completed in four hundred twenty-five (425) calendar days thereafter.

Prepared by: Nate Stava, Project Civil Engineer
Reviewed by: City Manager *AH*

VICINITY MAP

CIP 21-07 Fire Station 2 Rebuild

Willow
Peach
Minnewawa
Clovis
Sunnyside
Fowler
Armstrong
Temperance
Locan
De Wolf
Leonard
Highland

Shepherd

Teague

Nees

Alluvial

Herndon

Sierra

Bullard

Barstow

Shaw

Gettysburg

Ashlan

Dakota

PROJECT
LOCATION

Attachment 1

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W   E
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CITY OF CLOVIS · CALIFORNIA

Print Date: January 23, 2023

┌─ ─ ─┐
└─ ─ ─┘ CITY LIMITS   ▭ SPHERE OF INFLUENCE

Prepared By: Nathaniel S

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CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration Department

DATE: February 13, 2023

SUBJECT: Receive and File – Police Department Update.

Staff: Curt Fleming, Police Chief
Recommendation: Receive and File

ATTACHMENTS: 1. None.

Police Chief Curt Fleming will provide a verbal presentation on this item.

Please direct questions to the City Manager's office at 559-324-2060.

CITY of CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: February 13, 2023

SUBJECT: Consider – Update on Historic Preservation Committee and Seek Policy
                Direction Moving Forward.

                Staff: John Holt, City Manager
                Recommendation: Consider Update and Provide Policy Direction

ATTACHMENTS: 1. September 12, 2022, staff report regarding Historic Preservation
                Committee

CONFLICT OF INTEREST
Councilmembers should consider recusal if a campaign contribution exceeding $250 has been
received from the project proponent (developer, applicant, agent, and/or participants) since
January 1, 2023 (Government Code 84308).

RECOMMENDATION
Staff is seeking policy direction on moving forward with the creation and implementation of a City
of Clovis Historic Preservation Committee.

EXECUTIVE SUMMARY
On September 12, 2022, City Council voted as follows:

Motion by Councilmember Whalen to establish an ad hoc committee that would assess historic
resources in the City of Clovis and provide recommendations to the City Council on the
protection of those identified resources. Membership of the committee will consist of five (5)
members and each member shall be appointed by the City Council following a recommendation
by the Mayor and members must be a resident of the City of Clovis. Motion was seconded by
Councilmember Mouanoutoua amending the motion to change the number of members to ten
(10) with each councilmember selecting two. Councilmember Whalen concurred with the
amended second. Motion carried 4-0-0-1 with Mayor Flores abstaining.

Actions required and charge of the committee based on the action Council took in the motion above:

1. Have City Council appoint ten (10) members – two (2) each.

2. Committee Members are required to live within the city limits.

3. This is an ad hoc committee that will meet until the objectives are achieved.

4. The Committee will be subject to the Brown Act.

5. The Committee will be charged with:

    a. Identifying criteria they would use to assess historic resources in the City of Clovis.

    b. Assessing historic resources in the City of Clovis – this would consist of surveying historic resources within the city limits of the City of Clovis. The historic survey would not designate a property as historic. Instead, the survey would identify properties that could be a historic resource.

    c. Provide recommendations to the City Council on the preservation of those identified resources.

6. The Committee would report back to City Council on items included in number 5 above.

In October 2022 City Council provided additional direction to table the creation of the Committee until after the November 8, 2022, election. Staff is now returning to City Council to confirm the actions taken on September 12, 2022.

BACKGROUND
The creation of this discussion was formalized with a May 16, 2022, letter from Sayre Miller, representing the Clovis-Big Dry Creek Historical Society requesting the City Council create a Historic Preservation Commission. The letter indicates that the Clovis-Big Dry Creek Historical Society created a committee approximately three years ago to advocate for the preservation of the Carnegie Library building in Old Town Clovis (letter attached to the staff report). The Carnegie Library is owned by the Clovis Chamber of Commerce and the City of Clovis has limited control over how that building is used.

Attachment 1 includes all background material. On May 2, 2022, the City Council received an update on 325 Pollasky Avenue, Clovis Chamber of Commerce building. On May 16, 2022, the Clovis-Big Dry Creek Historical Society submitted a letter to the City Manager requesting that the City form a Historical Preservation Commission. From the May 2, 2022, meeting, it was the consensus of the Council to pursue the formation of a historical preservation committee to assist the effort in updating and preserving the building.

On June 6, 2022, the City Council considered the request from Clovis-Big Dry Creek Historical Society for the Council to create a Historical Preservation Commission. From the June 6, 2022, meeting Council directed staff to establish the Advisory Board as described in the Clovis Municipal Code 9.120.020 - *Historic Preservation Board. A City review board designated to promote the cultural, economic, educational, and general welfare of the City through the preservation and protection of buildings, sites, structures, areas, and districts of historic significance and interest.*

On September 12, 2022, staff presented a two options for Council to consider: **Option A** - Establish a temporary committee that would assess historic resources in the City of Clovis and provide recommendations to City Council on the protection of those identified resources; or **Option B** - Consider Introduction – Ord. 22-___, an Ordinance of the City Council of the City of Clovis adding Chapter 9.81 of Title 9 of the Clovis Municipal Code creating a Historic Preservation Board.

City Council chose Option A with the following motion: to establish an ad hoc committee that would assess historic resources in the City of Clovis and provide recommendations to the City Council on the protection of those identified resources. Membership of the committee will consist of ten (10) members and each member shall be appointed by the City Council following a recommendation by the Mayor and members must be a resident of the City of Clovis.

In October 2022 City Council provided additional direction to table the creation of the Committee until after the November 8, 2022, election. Staff is now returning to City Council to confirm the actions taken on September 12, 2022.

FISCAL IMPACT
There is currently no funding to support the establishment of a Historic Preservation Committee. Staff time to support would likely be limited but it would have an impact on workload.
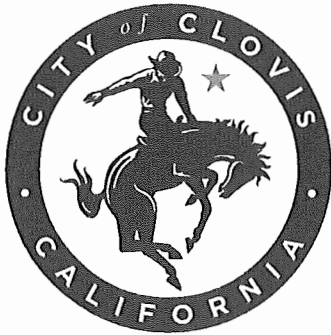
REASON FOR RECOMMENDATION
Staff is now returning to council to confirm prior action and see direction moving forward.

ACTIONS FOLLOWING APPROVAL
Staff will implement Council direction.

Prepared by: John Holt, City Manager

Reviewed by: City Manager *AH*

CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: September 12, 2022

SUBJECT: Consider Various Options Regarding the Creation of a Historic Preservation Board:

a. Establish a temporary committee that would assess historic resources in the City of Clovis and provide recommendations to City Council on the protection of those identified resources;

b. Consider Introduction – Ord. 22-___, An Ordinance of the City Council of the City of Clovis adding Chapter 9.81 of Title 9 of the Clovis Municipal Code creating a Historic Preservation Board;

c. Take no action at this time.

Staff: Andrew Haussler, Assistant City Manager / Renee Mathis, Director of Planning and Development Services
Recommendation: Consider options and provide staff policy direction

ATTACHMENTS: 1. Background on 325 Pollasky – Clovis Chamber of Commerce
2. May 2, 2022, Staff Report - Update on 325 Pollasky Avenue (Clovis Chamber of Commerce Building)
3. May 16, 2022, Letter from the Clovis-Big Dry Creek Historical Society to form a historical preservation commission
4. June 6, 2022, Staff Report - Consider – A request from Clovis-Big Dry Creek Historical Society for the City Council to Create a Historical Preservation Commission
5. Draft Ordinance

CONFLICT OF INTEREST
None.

RECOMMENDATION
For the City Council to consider various options regarding the creation of a Historic Preservation Board (Board) and provide staff direction going forward.

EXECUTIVE SUMMARY
On May 2, 2022, the City Council received an update on 325 Pollasky Avenue, Clovis Chamber of Commerce building (Attachment 2). On June 6, 2022, City Council considered a request from Clovis-Big Dry Creek Historical Society for the City Council to create a Historical Preservation Commission (Attachment 4). From the June 6, 2022, meeting, Council directed staff to establish an advisory board as described in the Clovis Municipal Code 9.120.020.

Over the past two months, staff has worked with the City Attorney's office in developing a draft ordinance creating a Historic Preservation Board. This is proposed to be an advisory board to the Planning Commission and City Council tasked with developing an initial list of historic landmarks and historic sites within the Historic District for consideration. The Board would also be responsible for maintaining that list of historic landmarks and historic sites. The draft ordinance establishes the process by which an initial list of historic landmarks and historic sites could be established and how one might be added at a future date.

The following are challenges that have been identified during the development of the draft ordinance:

1. There is no funding for the creation and support of Board.
2. In communicating with the City of Visalia who established a Historic Preservation Advisory Committee in 1979, there is a significant amount of work in establishing the criteria and initial list which could initially consume full-time support of one staff member. Once established, ongoing support is significantly reduced.
3. Staff would likely need to outsource support to the Board such as an architect, engineer, or historian (assuming the initial Board was not made up of this expertise).
4. There is currently no in-house expertise on historic preservation.
5. Defining a historic landmark and maintenance of it is subjective – staff would be charged with defining what is significant, minor, and maintenance work.

After developing the draft ordinance, staff is recommending the City Council consider the following options:

A. Establish a temporary committee that would assess historic resources in the City of Clovis and provide recommendations to City Council on the protection of those identified resources;
B. Consider Introduction – Ord. 22-___, an Ordinance of the City Council of the City of Clovis adding Chapter 9.81 of Title 9 of the Clovis Municipal Code creating a Historic Preservation Board;
C. Take no action at this time.

BACKGROUND
On May 2, 2022, the City Council received an update on 325 Pollasky Avenue, Clovis Chamber of Commerce building (Attachment 2). On May 16, 2022, the Clovis-Big Dry Creek Historical Society submitted a letter to the City Manager requesting that the City form a Historical Preservation Commission (Attachment 3). Attachment 1 provides some of the history on the building located at 325 Pollasky Avenue. From the May 2, 2022, meeting, it was the consensus of the Council to pursue the formation of a historical preservation committee to assist the effort in updating and preserving the building.

On June 6, 2022, the City Council considered the request from Clovis-Big Dry Creek Historical Society for the Council to create a Historical Preservation Commission (Attachment 4). From the June 6, 2022, meeting Council directed staff to establish the Advisory Board as described in the Clovis Municipal Code 9.120.020 - *Historic Preservation Board. A City review board designated to promote the cultural, economic, educational, and general welfare of the City through the preservation and protection of buildings, sites, structures, areas, and districts of historic significance and interest.*

Over the past two months, staff has worked with the City Attorney's office to develop a draft ordinance to create a Historic Preservation Board, provided as Attachment 5. Through that process, staff has developed an alternative option to consider: to establish a temporary committee that would assess historic resources in the City of Clovis and provide recommendations to the City Council on the protection of those identified resources. A third option available is to continue the City's current policies on historical preservation with Council taking no action at this time.

The following is a review of the three proposed options:

Option A - Establish a temporary committee that would assess historic resources in the City of Clovis and provide recommendations to City Council on the protection of those identified resources.

After developing the draft ordinance and realizing that staff has very little expertise regarding historic sites nor the criteria to judge, staff wanted to present the option to City Council to consider forming a committee that would be charged with assessing historic resources in the City of Clovis and providing recommendations on tools the Council could implement to protect the identified resources, such as an ordinance. The committee could stand up for a specified period and provide recommendations to the City Council at its conclusion.

Option B - Consider Introduction – Ord. 22-___, an Ordinance of the City Council of the City of Clovis adding Chapter 9.81 of Title 9 of the Clovis Municipal Code creating a Historic Preservation Board:

In crafting the ordinance and knowing that it will likely need to be amended, staff is recommending the City Council consider narrowing the scope of the ordinance initially to allow somewhat of a learning curve upon initial implementation. It should also be noted that the City is now on the front end of updating the 2014 General Plan, which could be an opportunity to refine the ordinance in the future.

<u>Highlights of the draft ordinance:</u>

A summary of the ordinance and the proposed draft ordinance is in Attachment 5.

<u>Purpose:</u>
The proposed Historic Preservation Ordinance establishes a Historic Preservation Board (Board). The Board would be created to act as the City's steward for historic preservation causes and protector of historic structures. The Board would be an advisory body to the Planning Commission and City Council. The Board would consist of five members appointed by the Mayor and confirmed by the City Council and meet monthly.

<u>Scope:</u>
Staff is recommending Council consider limiting the initial historic district to the original one square mile of the City of Clovis, bounded by Barstow Avenue to the south, Sunnyside Avenue to the east, Sierra Avenue to the north, and Minnewawa Avenue to the west (this area represents the original one square mile that was incorporated in 1912). Staff is further recommending Council consider initially limiting consideration of historic sites to non-residential properties.

<u>Initial Role:</u>
The Board would be primarily responsible for developing a list of Historic Landmarks within the Historic District for Planning Commission and City Council to consider for designation.

<u>Ongoing Role:</u>
The Board would periodically update the Historic Landmarks within the Historic District and reviewing building/planning actions related to historically designated structures. Review of proposals for the exterior alteration of historically designated sites and structures would likely be the most frequent task undertaken by the Board. The Board reviews would be conducted with a focus on preserving the integrity of historic structures and maintaining the unified architectural character of the Historic District. The Board would also be tasked with recommending criteria to be used during such review.

<u>Limitations on Changes to Designated Historic Sites:</u>
Reviews of exterior alterations to buildings would need to occur prior to issuance of a permit. For land use actions, the Board would only review the impact of a proposed land use change on a historic landmark and would provide a recommendation to the Planning Commission. The Board would not have authority to approve or deny land use actions and would not make determinations on what uses are allowed. That power rests solely with the Planning Commission. Any action of the Board would be appealable to the City Council.

<u>Expenses:</u>
All reviews by the Board would be conducted at no expense to the applicant. Similarly, any appeals of Board actions would be processed free of charge.

Staff time to support the Board has not been budgeted for and resources would need to be identified.

Summary:

In summary, a property owner will be notified of the potential for a property to be listed on the historic register before public hearings held by the Historic Preservation Board and again by the Planning Commission. The final recommendation would be noticed to the property owner before the item is heard by the City Council when the Council could officially add the property to the local historic register. The property owner will be allowed the opportunity to state whether they want their property to be included as an historic landmark. There is a provision in the ordinance that allows the Planning Commission to consider a hardship by a property owner that would result from denial of a permit to carry out proposed work.

If a site is added to the register before altering the exterior of, or demolishing, an historic landmark or historic site, the property owner must first obtain approval either from the Director of Planning and Development Services or, depending on the significance of the change, the Board would provide a recommendation to the Planning Commission. This is appealable to City Council. In addition, for Historic Landmarks, property owners must seek permission to do work that does not require a permit and would not normally require City approval. This will increase the time it takes property owners to complete work on their property, compared to a site that is not on the historic register.

Option C – Take no action at this time.

Currently in the City of Clovis, historic preservation is governed by the General Plan in the Open Space and Conservation Element under *Goal 2: Natural, agricultural, and historic resources that are preserved and promoted as key features for civic pride and identity*. This is implemented by the following policies:

- Policy 2.9: National and state historic resources. Preserve historical sites and buildings of state or national significance in accordance with the Secretary of Interior Standards for Historic Rehabilitation.

- Policy 2.10: Local historic resources. Encourage property owners to maintain the historic integrity of the site by (listed in order of preference): preservation, adaptive reuse, or memorialization.

- Policy 2.11: Old Town. Prioritize the preservation of the historic character and resources of Old Town.

- Policy 2.12: Public education. Support public education efforts for residents and visitors about the unique historic, natural, and cultural resources in Clovis.

In addition, the Central Clovis Specific Plan further implemented the above goal and policies with design guidelines and language desiring to preserve the historic nature of the Old Town area.

FISCAL IMPACT
Implementation of the ordinance will need to be supported by staff time as well as supporting the Board and meetings. The exact cost to support the Board is unknown at this time.

REASON FOR RECOMMENDATION
City Council provided direction to draft an ordinance to develop an advisory body to the Planning Commission and City Council to develop an initial list of historic landmarks and historic sites within the Historic District for consideration. The Board would also be responsible for maintaining that list of historic landmarks and historic sites. Staff has provided Council with various options to consider.

ACTIONS FOLLOWING APPROVAL
Staff will implement Council direction.

Prepared by: Andrew Haussler, Assistant City Manager
                 Renee Mathis, Director of Planning & Development Services.

Reviewed by: City Manager *AH*

325 Pollasky Avenue (Clovis Chamber of Commerce) Building Update

The building owned by the Clovis Chamber of Commerce is located at 325 Pollasky Avenue. It was built in 1914 and originally served as the Clovis Library. The construction was financed through a grant from the Carnegie Foundation, which funded 2,509 such libraries between 1883 and 1929. The building remained in continuous use as a public library until 1976, when the new Clovis Library opened at 1133 Fifth Street. In exchange for the new library site, the County of Fresno deeded ownership of the building and land at 325 Pollasky to the City of Clovis.

Upon taking possession of the property, the City of Clovis was committed to renovating and converting the building into a use which could serve as a public meeting space. However, the costs for renovation ranged from $150,000 to $160,000.

In 1979, the City of Clovis replaced the foundation at a cost of $70,000. By 1983, a group of citizens managed to raise $13,000 for additional restoration work. Those funds, along with donations of labor and supplies, enabled the group to complete some additional restoration work.

In 1986, the City of Clovis entered into an agreement with the Clovis Chamber of Commerce to transfer ownership of the building and property to the Chamber. The agreement included several conditions ("Reversionary Interest Conditions"), which were to be included in the deed conveying the property to the Chamber:

- Chamber must complete remodeling of the building.

- Chamber may not convey any interest in the property without consent of the City.

- Chamber must remain as a non-profit corporation organized as a chamber of commerce.

- Chamber must maintain the upper floor of the building for public use or short-term rental for public and community groups.

- Chamber must maintain the building in good condition and repair.

- As part of the agreement, the City was also to retain the ability to take back title to the property in the event of a default by the Chamber.

Since 1986, the Chamber has continuously occupied the building. During that time, the Clovis Chamber of Commerce bore all costs for repairs and maintenance for the building and property. Some of these repairs and upgrades include total replacement of roof, total overhaul of landscaping and irrigation, and overhaul of front entry. Between 2012 and 2016, the building experienced issues which included the total failure of HVAC equipment, severe roof leak, and a water main break.

The building is also not ADA compliant, which has prevented the Chamber of Commerce from being able to legally operate inside the building.

In 2016, City of Clovis staff discovered that although the deed conveying the property from the City to the Chamber was executed in 1986, none of the Reversionary Interest Conditions required by the agreement were included in the deed. Also, the 1986 agreement was not recorded. Therefore, the legally enforceable status of the Reversionary Interest Conditions was in doubt.

In 2017, facing significant repairs to the HVAC system and building plumbing, and significant and costly upgrades to bring the building into compliance with ADA standards, the Chamber asked the City to be released from the Reversionary Interest Conditions. On September 10, 2018, the City Council approved Resolution 18-121 and released any interest the City had in the building and property, including releasing

Attachment 1

the Chamber from all Reversionary Interest Conditions. The stated purpose in Resolution 18-121 of releasing the Chamber was "so that the Chamber may move forward with future planning for the property and building consistent with the City's Central Clovis specific plan and applicable zoning." As a result of Resolution 18-121, the City has no legal or equitable interest in the building or property, and the Chamber is not subject to any conditions restricting the use of the building or development of the property other than the Central Clovis Specific Plan and applicable zoning.

Since 2018, the Chamber of Commerce Board of Directors and staff have explored the following four options for the property:

1. Repair the building

2. Sell the property

3. Scrape and rebuild the building

4. Create a partnership with a developer who will remove the current building and construct a new building. The Chamber would enter into this partnership on the strength of the equity of land with the developer covering the cost of construction. The outcome for the Chamber would be a condominium-type office that would remain the property of the Chamber of Commerce in perpetuity.

To date, the Chamber staff has explored all options, but has not made a final decision.

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CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: May 2, 2022

SUBJECT: Receive and File – Update on 325 Pollasky Avenue (Clovis Chamber of Commerce Building).

               Staff: Andrew Haussler, Assistant City Manager
               Recommendation: Receive and File

ATTACHMENTS: 1. Background Documentation

CONFLICT OF INTEREST

Mayor Jose Flores maintains financial interest in a property within 1,000 feet of subject property and, pursuant to law, must abstain from participation and decision regarding this item.

RECOMMENDATION

That the City Council receive and file the update on 325 Pollasky Avenue (Clovis Chamber of Commerce Building).

EXECUTIVE SUMMARY

Since 1986, the building located at 325 Pollasky has been occupied and maintained by the Clovis Chamber of Commerce through an agreement for conveyance of use. In 2018, City Council approved a resolution releasing all interest in the subject property. Since that time, the Clovis Chamber of Commerce has continued exploring future use of the property.

BACKGROUND

The building owned by the Clovis Chamber of Commerce is located at 325 Pollasky Avenue. It was built in 1914 and originally served as the Clovis Library. The construction was financed through a grant from the Carnegie Foundation, which funded 2,509 such libraries between 1883 and 1929. The building remained in continuous use as a public library until 1976, when the new Clovis Library opened at 1133 Fifth Street. In exchange for the new library site, the County of Fresno deeded ownership of the building and land at 325 Pollasky to the City of Clovis.

Upon taking possession of the property, the City of Clovis was committed to renovating and converting the building into a use which could serve as a public meeting space. However, the costs for renovation ranged from $150,000 to $160,000.

Attachment 2

In 1979, the City of Clovis replaced the foundation at a cost of $70,000. By 1983, a group of citizens managed to raise $13,000 for additional restoration work. Those funds, along with donations of labor and supplies, enabled the group to complete some additional restoration work.

In 1986, the City of Clovis entered into an agreement with the Clovis Chamber of Commerce to transfer ownership of the building and property to the Chamber. The agreement included several conditions ("Reversionary Interest Conditions"), which were to be included in the deed conveying the property to the Chamber:

- Chamber must complete remodeling of the building.
- Chamber may not convey any interest in the property without consent of the City.
- Chamber must remain as a non-profit corporation organized as a chamber of commerce.
- Chamber must maintain the upper floor of the building for public use or short-term rental for public and community groups.
- Chamber must maintain the building in good condition and repair.

As part of the agreement, the City was also to retain the ability to take back title to the property in the event of a default by the Chamber.

Since 1986, the Chamber has continuously occupied the building. During that time, the Clovis Chamber of Commerce bore all costs for repairs and maintenance for the building and property. Some of these repairs and upgrades include total replacement of roof, total overhaul of landscaping and irrigation, and overhaul of front entry. Between 2012 and 2016, the building experienced issues which included the total failure of HVAC equipment, severe roof leak, and a water main break.

The building is also not ADA compliant, which has prevented the Chamber of Commerce from being able to legally operate inside the building.

In 2016, City of Clovis staff discovered that although the deed conveying the property from the City to the Chamber was executed in 1986, none of the Reversionary Interest Conditions required by the agreement were included in the deed. Also, the 1986 agreement was not recorded. Therefore, the legally enforceable status of the Reversionary Interest Conditions was in doubt.

In 2017, facing significant repairs to the HVAC system and building plumbing, and significant and costly upgrades to bring the building into compliance with ADA standards, the Chamber asked the City to be released from the Reversionary Interest Conditions. On September 10, 2018, the City Council approved Resolution 18-121 and released any interest the City had in the building and property, including releasing the Chamber from all Reversionary Interest Conditions. The stated purpose in Resolution 18-121 of releasing the Chamber was "so that the Chamber may move forward with future planning for the property and building consistent with the City's Central Clovis Specific Plan and applicable zoning." As a result of Resolution 18-121, the City has no legal or equitable interest in the building or property, and the Chamber is not subject to any conditions restricting the use of the building or development of the property other than the Central Clovis Specific Plan and applicable zoning.

Since 2018, the Chamber of Commerce Board of Directors and staff have explored options for the future of this building and property but have not made a final decision. Likewise, the City of Clovis has not been in receipt of any plans or applications for demolition, improvements, or redevelopment.

The City of Clovis has no legal interest in the subject property.

FISCAL IMPACT
The City of Clovis has no financial interest in the subject property.

REASON FOR RECOMMENDATION
The attached report serves as information only. Beyond the review of information by Council, no action is requested.

ACTIONS FOLLOWING APPROVAL
Staff will file information.

Prepared by: Shawn Miller, Business Development Manager

Reviewed by: City Manager

c/o Clovis-Big Dry Creek Historical Society
401 Pollasky Avenue
Clovis, CA 93612-1141

May 16, 2022

Mr. John Holt
City Manager
City of Clovis
1033 Fifth Street
Clovis, CA 93612

Dear Mr. Holt, John

Two years ago the Clovis-Big Dry Creek Historical Society formed a committee to advocate for the preservation of the Carnegie Library building in Old Town Clovis, listed among the Fresno County Historical Landmarks and Records Advisory Commission's Inventory of Historic Sites in Fresno County.

We believe that Old Town Clovis should continue to be defined by its authentic historical buildings wherever feasible. The campaign to protect the Carnegie Library building has accentuated the absence of a City of Clovis Historic Preservation Commission to review projects and plans that may affect the City's historic and cultural heritage. Typically such commissions encourage public participation.

We believe that prompt action by the City to establish a Historic Preservation Commission will:
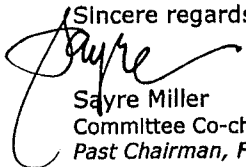- discourage demolition of our cultural history
- take a vital step toward applying to be a state Certified Local Government to expedite environmental reviews and create opportunities for grant funding
- promote conservation of resources and reduce waste and expense by repairing and reusing existing buildings, greatly reducing their carbon footprint
- encourage identification of significant buildings to educate the public about local history
- contribute expertise in period architecture to maintain the authenticity of Old Town and other historical sites, and
- generate enthusiasm for Clovis' unique character, both as a destination and for the benefit of local citizens.

Many municipalities maintain a Local Register of Historic Resources. Such resources are researched and evaluated as to their significance, and often are marked by plaques or other insignia to illuminate a town's historical development. We believe that Clovis is worthy of such a project.

The Council gave verbal direction to staff at the City Council meeting on May 2, 2020, to initiate the formation of a Historic Preservation Commission. Our citizen group endorses this action with enthusiasm. In addition to the committee—comprised of seven Clovis citizens who are passionate about the preservation of historically significant landmarks—we have consulted an advisory group comprised of John Wright, former City of Clovis Planning Director; Elizabeth Laval, President, Fresno County Historical Society; Karana Hattersley-Drayton, former City of Fresno Historic Preservation Project Manager; and Chris Johnson, AIA, Principal and Project Lead for the 2005 restoration of Fresno's Santa Fe Depot. We offer our services to aid the City in the establishment of a Clovis Historic Preservation Commission.

If you would like to discuss this issue, please contact me by phone at (559) 930-3619, or by email at sayremcfarlanemiller@gmail.com.

Sincere regards,

Sayre Miller
Committee Co-chair
Past Chairman, Fresno County Historical Society

Peg Bos, Committee Co-chair
Past President, Clovis-Big Dry Creek Historical Society

Paul Halajian
Architect, Old Town Clovis

Tom Wright
Board Chairman, Clovis Veterans Memorial District

Carol Smittcamp Copeland
Business Owner, Old Town Clovis

Don Bremseth
Architect / 1979-85 Carnegie Library Restoration Committee Member

Betsy Smittcamp Kimball
President, Smittcamp Family Foundation

ATTACHMENT 3

CITY *of* CLOVIS

REPORT TO THE CITY COUNCIL

TO: Mayor and City Council

FROM: Administration

DATE: June 6, 2022

SUBJECT: Consider – A request from Clovis-Big Dry Creek Historical Society for the City Council to Create a Historical Preservation Commission.

Staff: Andrew Haussler, Assistant City Manager
Recommendation: Consider request and provide direction.

ATTACHMENTS: 1. Letter from Clovis-Big Dry Creek Historical Society

CONFLICT OF INTEREST
None.

RECOMMENDATION
For the City Council to provide direction to staff based on the request from the Clovis-Big Dry Creek Historical Society to form a Historical Preservation Commission.

EXECUTIVE SUMMARY
Staff is in receipt of a request (attached) to the City Manager from the Clovis-Big Dry Creek Historical Society to form a historical preservation commission.

BACKGROUND
After the discussion regarding the status of the Clovis Carnegie Library Building on May 2, 2022, the Clovis-Big Dry Creek Historical Society submitted a letter on May 16, 2022, to the City Manager requesting that the City form a Historical Preservation Commission. The City currently does not have a Historical Preservation Commission. The letter from the Clovis-Big Dry Creek Historical Society refers to the Council giving verbal direction to staff at the May 2nd Council meeting to initiate the formation of a Historical Preservation Commission. However, no action was taken at that meeting. Staff now seeks Council's direction on the potential formation of such a Commission.

When the Zoning Code was updated in 2014, a definition for "Historical Preservation Board" was included in Chapter 9.120, and defined to be a *City review board designated to promote the cultural, economic, educational, and general welfare of the City through the preservation and*

Attachment 4

protection of buildings, sites, structures, areas, and districts of historic significance and interest. Although a definition for the Board was included, no other provisions in the Zoning Code address a Historic Preservation Board or require its creation, *and* the City has not taken action to establish such a Board. To establish a Historic Preservation Commission (or Board) the City Council would need to initiate and approve an amendment to the Zoning Code to incorporate such a Board into the development review process for designated buildings and sites.

The role of a Historic Preservation Commission can vary as determined by the City Council. Many similar commissions in other cities review historic resources such as buildings, sites, structures, areas, and districts of historic significance and interest, and determine what should be recommended as designated for protection, subject to City Council approval. A commission may also serve as an additional reviewing/advisory body, reviewing and making recommendations on a designated site application to the Planning Commission. If an owner of one of those designated buildings, sites, structures, areas, and districts of historic significance and interest wants to make improvements and/or changes the Historic Preservation Commission would review and determine if the request is appropriate and then recommend approval or denial of the application to the Director, Planning Commission, and City Council, depending on the entitlement. While this would add a layer of protection to designated historic resources it may also deter investment as it could increase approval timeframes and potentially increase expenses to make improvements.

It is likely amendments and/or additions to the City's General Plan would also be required for the Historic Preservation Commission to determine standards to apply. Currently in the City of Clovis, historic preservation is governed by the General Plan in the Open Space and Conservation Element under *Goal 2: Natural, agricultural, and historic resources that are preserved and promoted as key features for civic pride and identity.* This is implemented by the following policies:

- Policy 2.9: National and state historic resources. Preserve historical sites and buildings of state or national significance in accordance with the Secretary of Interior Standards for Historic Rehabilitation.

- Policy 2.10: Local historic resources. Encourage property owners to maintain the historic integrity of the site by (listed in order of preference): preservation, adaptive reuse, or memorialization.

- Policy 2.11: Old Town. Prioritize the preservation of the historic character and resources of Old Town.

- Policy 2.12: Public education. Support public education efforts for residents and visitors about the unique historic, natural, and cultural resources in Clovis.

In addition, the Central Clovis Specific Plan further implemented the above goal and policies with design guidelines and language desiring to preserve the historic nature of the Old Town area.

Staff is currently seeking direction from Council regarding a request to establish a Historic Preservation Commission. Below are some options for Council to consider:

1) Keep status quo as currently determined in the General Plan as provided above.
2) Direct staff to review historic preservation in the General Plan Update currently underway to determine any new goals, policies, and implementation steps such as establishing a Historical Preservation Commission.
3) Direct staff to bring back the necessary items for Council to consider establishing a Historical Preservation Commission before completing the General Plan Update.

FISCAL IMPACT
At this point in the discussion there is no fiscal impact.

REASON FOR RECOMMENDATION
Staff is in receipt of a request to the City Manager from the Clovis-Big Dry Creek Historical Society to form a historical preservation commission.

ACTIONS FOLLOWING APPROVAL
Staff will implement Council direction.

Prepared by: Andrew Haussler, Assistant City Manager

Reviewed by: City Manager

SUMMARY OF DRAFT ORDINANCE

1. The Historic Preservation Board ("Board") will consist of five (5) members.

2. Each member shall be:

    a. Appointed by the City Council, following recommendation by the Mayor; and

    b. A resident of the City; and

    c. Appointed to a four (4) year term. For the initial appointment, three (3) members will be appointed for a four-year term and the remaining two (2) members will be appointed to a two-year term.

3. The Council and Mayor may consider appointing members from, but not limited to, such professions, disciplines, and interests as: licensed architects and structural engineers; urban planners and landscape architects; attorneys and real estate experts; members of community groups and residents within historic districts, occupants of historic landmarks, and owners of historic sites.

4. The Board will meet at least once per month.

5. The Board will be an advisory body to the Planning Commission and City Council.

6. "Historic District" means the original one square mile of the City of Clovis, bounded by Barstow Avenue to the south, Sunnyside Avenue to the east, Sierra Avenue to the north, and Minnewawa Avenue to the west.

7. "Historic Landmark" means any non-residential improvement in the Historic District.

8. The Board would:

    a. Develop and recommend an initial list of historic landmarks and historic sites within the Historic District for the Planning Commission and City Council to consider.

    b. Establish criteria for, conduct and keep current a register of historic resources within the boundaries of the City subject to approval by the City Council.

    c. Recommend to the Planning Commission and City Council guidelines for the designation of historic landmarks and historic sites.

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Attachment 5

9. Historic landmarks and historic sites will be established in the following manner:

   a. The Board may request the designation of an improvement as a historic landmark or the designation of a historic site or historic district, on its own accord, or based on testimony by members of the public.

   b. The Board will conduct a study of the proposed designation and make a recommendation to the Planning Commission.

   c. The Planning Commission will conduct a hearing to consider and make a recommendation of City Council.

   d. The City Council will consider the Planning Commission request and approve by resolution or deny. If approved, it will be added to the register of historic designations.

   e. Annually, the Historic Preservation Board shall review the register of historic designations and present it to the Council, along with any recommended changes.

10. Before altering the exterior of, or demolishing, a historic landmark or historic site, the property owner must first obtain approval as follows:

   a. For work that would not normally require a permit (i.e., exterior building paint color), the Director of Planning and Development Services shall approve an application if it complies with the Central Clovis Design Standards.

   b. If a building permit is required and seeks to make minor alterations or repairs, the Director of Planning and Development Services shall approve if it complies with the Central Clovis Design Standards.

   c. If an application is to tear down, demolish, construct, alter, remove, or relocate a historic landmark, the Planning Commission will hold a noticed public hearing and approve or disapprove the application. Such decision is appealable to the Council.

   d. City approval is not required for ordinary maintenance and repairs.

ORDINANCE 22-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CLOVIS ADDING CHAPTER 9.81 OF TITLE 9 OF THE CLOVIS MUNICIPAL CODE CREATING A HISTORIC PRESERVATION BOARD

The City Council of the City of Clovis does ordain as follows:

Section 1. Chapter 9.81 of Title 9 of the Clovis Municipal Code is hereby added to read as follows:

Chapter 9.81

HISTORIC PRESERVATION BOARD

Sections:
9.81.01 Purpose and Findings.
9.81.02 Definitions.
9.81.03 Creation of Historic Preservation Board.
9.81.04 Powers and Duties of Historic Preservation Board.
9.81.05 Historic Designation Criteria.
9.81.06 Historic Designation Procedures.
9.81.07 Permit Required.
9.81.08 Permit Approval Procedure.
9.81.09 Permit Approval Criteria.
9.81.10 Appeals.
9.81.11 Ordinary Maintenance and Repair.
9.81.12 Unsafe or Dangerous Conditions.
9.81.13 Duty to Keep in Good Repair.
9.81.14 Showing of Hardship.
9.81.15 No Retroactive Application.
9.81.16 Failure to Act

9.81.01 Purpose and Findings.

The purpose of this Chapter is to promote the cultural, economic, educational, and general welfare of the City through the preservation and protection of buildings, sites, structures, areas, and districts of historic significance and interest.

9.81.02 Definitions.

A.   "Alteration" means any exterior change or modification, of any historic resource including, but not limited to, exterior changes to or modifications of structure, architectural details, or visual characteristics such as paint color and surface texture, grading, surface paving, new structures, cutting or removal of trees and other natural features, disturbance of archaeological sites or areas, and the

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placement or removal of any exterior objects such as signs, plaques, light fixtures, street furniture, walls, fences, steps, paintings and landscape accessories affecting the exterior visual qualities of the property.

B.   "Historic District" means the original one square mile of the City of Clovis, bounded by Barstow Avenue to the south, Sunnyside Avenue to the east, Sierra Avenue to the north, and Minnewawa Avenue to the west.

C.   "Historic Landmark" means any non-residential improvement in the historic district that has special historic, cultural, aesthetic, or architectural character, interest, or value as part of the development, heritage, or history of the City, the State, or the nation, and that has been designated pursuant to this Chapter.

D.   "Historic Resource" means non-residential improvements, buildings, structures, signs, features, sites, places, areas, or other objects of historic aesthetic, educational, cultural, or architectural significance to the citizens of the City, within the historic district, which may or may not have been officially designated as "historic landmarks" or "historic sites" as hereinafter defined.

E.   "Historic Site" means a parcel or part thereof, within the historic district, on which a historic resource is situated and any abutting parcel or part thereof constituting part of the premises on which the historic resource is situated, and which has been designated a historic site pursuant to this Chapter.

F.   "Improvement" means any building, structure, place, parking facility, fence, gate, wall, work of art or other object constituting a physical betterment of real property, or any part of such betterment.

G.   "Preservation" means the identification, study, protection, restoration, rehabilitation, or enhancement of historic resources.

9.81.03 Creation of Historic Preservation Board.

A.   Establishment. In order to execute the purposes declared in this Chapter, there is created a Historic Preservation Board.

B.   Appointment.

1. The Historic Preservation Board shall consist of five (5) members.

2. Each member shall be:

   a. Appointed by the City Council, following recommendation by the Mayor; and

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b. A resident of the City; and

c. Appointed to a four (4) year term. For the initial appointment, three (3) members will be appointed for a four-year term and the remaining two (2) members will be appointed to a two-year term.

3. The Council and Mayor may consider appointing members from, but not limited to, such professions, disciplines, and interests as: licensed architects and structural engineers; urban planners and landscape architects; attorneys and real estate experts; members of community groups and residents within historic districts, occupants of historic landmarks, and owners of historic sites.

C. Meetings. The Historic Preservation Board shall hold regular meetings at least once per month.

9.81.04 Powers and Duties of Historic Preservation Board.

The Historic Preservation Board shall have the following powers and duties:

A. The Historic Preservation Board will be an advisory body to the Planning Commission and City Council.

B. The Historic Preservation Board will develop and recommend an initial list of historic landmarks and historic sites within the Historic District for the Planning Commission and City Council to consider.

C. Establish criteria for, conduct and keep current a register of historic resources within the boundaries of the City subject to approval by the City Council.

D. Recommend to the Planning Commission and City Council guidelines for the designation of historic landmarks and historic sites subject to the provisions of Section 9.81.05 of this Chapter.

E. Review and comment upon the conduct of land use, housing and redevelopment, municipal improvements and other types of planning and programs undertaken by any other agency of the City, the County or State as they relate to the historic resources of the community as requested by City Council.

F. Recommend standards to be considered by the City Council to be used by the Director of Planning and Development Services, Historic Preservation Board, and the Planning Commission in reviewing applications for permits to construct, change, alter, modify, remodel, remove or significantly affect any historic resource. Such standards shall include the Standards for Rehabilitation adopted by the United States Secretary of the Interior, as set forth in 36 Code of Federal Regulations part 1208, as said part may from time to time be amended.

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G.   Investigate and report to the City Council on the use of various Federal, State, local or private funding sources and mechanisms available to promote historic preservation in the City.

H.   Recommend approval or disapproval, in whole or in part, applications for permits pursuant to this Chapter.

I.   Render advice and guidance, upon the request of the owner or occupant of the property affected, on the restoration, alteration, decoration, landscaping, or maintenance of any historic resource, including a landmark, landmark site, , or property in the vicinity of the foregoing within public view thereof.

J.   Participate in, promote, and conduct public information, educational and interpretive programs pertaining to historic resources.

K.   Review and make recommendations to the City Council regarding applications for and the administration of historic property contracts submitted or entered into pursuant to Government Code sections 50280 through 50290.

L.   Perform such other duties and exercise such other powers as may be specified by the City Council.

9.81.05 Historic Designation Criteria.

A.   For the purposes of this Chapter, an improvement may be designated an historic landmark or historic site by the City Council pursuant to Section 9.81.06 of this Chapter if it meets the following criteria:

1. It exemplifies or reflects special elements of the City's cultural, aesthetic, or architectural history; or

2. It is identified with persons or events significant in local, State, or national history; or

3. It embodies distinctive characteristics of a style, type, period, or method of construction, or is a valuable example of the use of indigenous materials or craftsmanship; or

4. It is representative of the notable work of a builder, designer, or architect.

9.81.06 Historic Designation Procedures.

Historic landmarks and historic sites shall be established by the City Council in the following manner:

A.   The Historic Preservation Board may request the designation of an improvement as an historic landmark or the designation of an historic site or historic district, on its own accord, or based on testimony by members of the public.

B. The Historic Preservation Board shall conduct a study of the proposed designation and, based on such documentation as it may require, make a written recommendation to the Planning Commission as to the appropriateness of the designation.

C. Upon receipt of the written recommendation of the Historic Preservation Board, the Planning Commission shall schedule a public hearing.

D. The Director of Planning and Development Services shall give notice of the date, place, time and purpose of the hearing, and the recommendation of the Historic Preservation Board by first class mail to all applicants, owners, and occupants of the improvement at least twenty (20) days prior to the date set for the public hearing, using the name and address of such owners as shown on the latest equalized assessment rolls, if they are otherwise not known. Notice of the hearing shall also be advertised once in the newspaper.

E. The Planning Commission shall conduct a public hearing and shall provide a reasonable opportunity for all interested parties to express their opinions.

F. At the conclusion of the public hearing, but in no event more than thirty (30) days from the date set for the initial public hearing or any continuance thereof for the designation of a proposed historic landmark or historic site, the Planning Commission shall recommend, in writing, approval in whole or in part, or disapproval in whole or in part, of the application. Such written determination shall contain a description of the actual property or properties to be designated and shall be filed with the City Council, the City Clerk, and the Building Official. The City Clerk shall mail notice of such decision to the applicants and the owners and occupants of the proposed designated historic site or historic landmark. Notice shall also be mailed to any other interested parties as may request a copy thereof.

G. The City Council, within thirty (30) days of receipt of the recommendations from the Planning Commission, or as soon thereafter as possible, shall by resolution approve the application in whole or in part, or shall by motion disapprove it in its entirety. The City Council shall hold a public hearing on such proposed resolution. Notice of the time and date set for the public hearing on such proposed resolution shall be mailed to all applicants and the owners and occupants of the proposed designated historic site or historic landmark. The Council, in its public hearing on the proposed resolution, shall provide a reasonable opportunity for all interested persons to express their opinions.

H. The City Clerk shall notify the Building Official of any official designation adopted by resolution by the City Council. The Clerk shall also file within ninety (90) days of such designation with the County Recorder a certified copy of the resolution which shall include the name of the current property owner, the designating entity, the specific historic resources designation and a legal description of the property, together with a notice briefly stating the fact of said designation and a summary of the effects said designation will have. The Clerk further shall mail a copy of the

resolution approving said designation or a copy of the minute order showing disapproval of said designation, to all applicants and the owners and occupants of the proposed designated historic site or historic landmark, and to any other person who requests a copy.

I.   Failure to send any notice by mail to any property owner where the address of such owner is not a matter of public record shall not invalidate any proceedings in connection with the proposed designation. The Planning Commission and Council may also give such other notice as they may deem desirable and practicable.

J.   While an application for designation of an improvement as an historic landmark or the designation of an historic site is pending, no building, alteration, demolition, or removal permits for any proposed historic site or historic landmark shall be issued. Exceptions may be considered in case of hardship as defined in Section.9.81.14 of this Chapter.

K.   Annually, the Historic Preservation Board shall review the register of historic designations and present it to the Council, along with any recommended changes.

9.81.07 Permit Required.

It is unlawful for any person to tear down, demolish, construct, alter, remove or relocate any improvement, or any portion thereof, which has been designated an historic landmark or historic site pursuant to the provisions of this Chapter, or to alter in any manner any exterior architectural feature of such an historic landmark or historic site, or to place, erect, alter, or relocate any sign on an historic landmark or historic site, without first obtaining written approval to do so in the manner provided in this Chapter from the Director of Planning and Development Services.

9.81.08 Permit Approval Procedure.

The following procedures shall be followed in processing applications for approval of work covered by this Chapter:

A.   The Building Official shall report any application for a demolition permit or a building permit to work on a designated historic site or historic landmark to the Director of Planning and Development Services. If the permit seeks to demolish or significantly alter or reconstruct the historic site or historic landmark, the Director of Planning and Development Services shall refer such application to the Historic Preservation Board for its review and recommendation. The Historic Preservation Board shall review the application and shall submit its written recommendation to the Planning Commission within sixty (60) days after receipt of the application from the Director of Planning and Development Services. In connection with its review, the Historic Preservation Board may hold hearings and may require any documentation it believes reasonably necessary to make its recommendation. The Historic Preservation Board shall make all recommendations in accordance with the prescriptive standards adopted pursuant to Section 9.81.05 and 9.81.04 F.

B. If the permit seeks to make minor alterations or repairs, the Director of Planning and Development Services shall review the permit and, if the proposed work complies with the Central Clovis Design Standards, as may be amended, approve the permit. Minor alterations are those alterations which the Director of Planning and Development Services or his/her designee determines will not adversely affect the exterior architectural characteristics nor the historical or aesthetic value of the historic structure, its site, or surroundings.

C. If no building permit would otherwise be required pursuant to the City Code, application for approval to pursue work on a designated historic site or historic landmark shall be made to the Director of Planning and Development Services. If the proposed work is in compliance with the Central Clovis Design Standards, as may be amended, the Director of Planning and Development Services shall approve the application.

D. All applications shall be accompanied by plans and specifications describing the proposed work as well as any other material considered by the Director of Planning and Development Services, Historic Preservation Board, or the Planning Commission to be reasonably necessary for the proper review of the proposed project.

E. Whenever the application is to tear down, demolish, construct, alter, remove, or relocate any improvement, or any portion thereof, which has been designated a historic landmark or historic site pursuant to the provisions of this Chapter, the Planning Commission shall hold a public hearing thereon. The Planning Commission may hold public hearings on other applications as they deem necessary.

    The hearing shall be held at the next available regularly scheduled Planning Commission meeting after receipt of the Historic Preservation Board's recommendation, and after proper notice has been given of such hearing. Notice of such hearing shall be given by first class mail to each applicant at least ten (10) days prior to the date set for such hearing. Notice of the hearing shall also be advertised once in the newspaper not less than five (5) calendar days prior to said hearing. Any hearing may be continued from time to time by the Planning Commission.

F. At the close of the hearing, the Planning Commission shall approve or disapprove, in whole or in part, such application in accordance with the standards adopted pursuant to Section 9.81.05 and 9.81.04 F, considering the recommendations of the Historic Preservation Board. The Planning Commission's decision shall be in writing and shall state the findings of fact relied upon in reaching such decision. Such decision may be appealed to the City Council.

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9.81.09 Permit Approval Criteria.

The Director of Planning and Development Services, Planning Commission, or the City Council upon appeal, shall issue an approval for any proposed work as described in Section 9.81.08 based upon the following criteria or other criteria as determined by the Planning Commission pursuant to Section 9.81.05:

A. In the case of any property designated a historic landmark, the proposed work would not detrimentally alter, destroy, or adversely affect any exterior architectural feature; or

B. In the case of construction of a new improvement, building, or structure upon a historic site, the exterior of such improvements will not adversely affect and will be compatible with the external appearance of existing designated improvements, buildings, and structures on said site.

9.81.10 Appeals.

Any interested party may appeal any decision of the Planning Commission pursuant to Section 9.81.09 to the City Council by filing an appeal within fifteen (15) days after the date of the notice of the Planning Commission's decision in accordance with the procedures and requirements set forth in Chapter 9.90 of the Municipal Code.

9.81.11 Ordinary Maintenance and Repair.

Nothing in this Chapter shall be construed to prevent any reasonable uses of any property or properties covered by this Chapter that are not in conflict with the purposes of this Chapter, including the ordinary maintenance or repair of said property that does not involve a change in design, material, or external appearance thereof.

9.81.12 Unsafe or Dangerous Conditions.

Nothing in this Chapter shall be construed to prevent any measures of construction, alteration or demolition necessary to correct the unsafe or dangerous condition of any structure, or feature or part thereof, covered by this Chapter, where such condition has been declared unsafe or dangerous by the Building Official or the Fire Marshal, and where the proposed measures have been declared necessary by such officials to correct such condition; provided, however, that only such work as is reasonably necessary to correct the unsafe or dangerous condition may be performed. In making a determination as to whether such work is reasonably necessary as aforesaid, the above-mentioned officials may refer to, and be guided by, the State Historical Building Code (H&S Code section 18950 et seq.) as the same may from time to time be amended, revised, or replaced.

9.81.13 Duty to Keep in Good Repair.

The owner, occupant, or other person in actual charge of a historic resource shall keep in good repair all of the exterior portions of such improvement, building or structure. It shall be the duty of the Building Official to enforce this Section.

9.81.14 Showing of Hardship.

The Planning Commission need not disapprove an application for a permit to carry out any proposed work on a historic landmark or a historic site, if the applicant presents clear and convincing evidence of facts demonstrating to the satisfaction of the Planning Commission that such disapproval will cause immediate and substantial hardship on the applicant because of conditions peculiar to the person seeking to carry out the proposed work, whether this be the property owner, tenant, or resident, or because of conditions peculiar to the particular improvement, building, or structure or other feature involved, and that failure to disapprove the application will be consistent with the purposes of this Chapter. In determining whether extreme hardship exists, the Planning Commission shall consider, among others, the following criteria:

A. Whether denial of the applicant will diminish the value of the subject property so as to leave substantially no value.

B. Whether reasonable utilization of the property is prohibited or impractical.

If a hardship is found to exist under this Section, the Planning Commission shall make a written finding to that effect and shall specify the facts and reasons relied upon in making such finding. Such finding may be appealed to the City Council pursuant to the provisions of Section 9.81.10.

9.81.15 No Retroactive Application.

The provisions of this Chapter shall be inapplicable to the construction, alteration, demolition or removal of any structure or other feature on a designated historic landmark or historic site, where a permit for the performance of such work was issued prior to initiation of proceedings for such designation, and where such permit has not expired or been cancelled or revoked, provided that construction is started and diligently prosecuted to completion in accordance with the City Building Code.

9.81.16 Failure to Act.

If for any reason, the Historic Preservation Board fails to take action within the timelines provided in this Chapter, the matter shall automatically proceed to the Planning Commission for consideration and action.

Section 2. This Ordinance shall go into effect and be in full force from and after thirty (30) days after its final passage and adoption.

APPROVED:

_____   _____
            Mayor   City Clerk

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* * * * * * * * * *

The foregoing Ordinance was introduced and read at a regular meeting of the City Council held on this ____ day of _____ 2022, and was adopted at a regular meeting of said Council held on this ____ day of _____, 2022, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dated:

_____
City Clerk