

AVOLVE SOFTWARE CORPORATION Software as a Services Agreement

This agreement ("Agreement") is made this _____ ("Effective Date") by and between Avolve Software Corporation, a Delaware corporation with offices at 21001 N Tatum Blvd Ste 1630-503, Phoenix, Arizona 85050, United States of America, ("Avolve" or "Services Provider") and the City of Escondido, a California municipal corporation with offices at 201 N. Broadway, Escondido, CA 92025 ("Customer").

WHEREAS Avolve offers remotely hosted subscription, software-as-a-service access (on hardware owned or operated on behalf of Avolve by a third party hosting service provider such as Microsoft Corporation) to Avolve's software (collectively, such hosted electronic plan review and project information management, collaboration and review system, including all software applications, application program interfaces, modules, databases, hardware, infrastructure, documentation and system administration, management and monitoring activities that Avolve provides for the software shall be referred to herein as the "Avolve SAAS Solution");

WHEREAS Avolve provides professional services ("Professional Services") to assist customers with among other things, implementation of the Avolve SAAS Solution and training;

WHEREAS the Customer desires to purchase use rights for the Avolve SAAS Solution and related Professional Services (the "Initial Purchase") from Avolve and, pay for such purchases directly; and

WHEREAS Avolve and Customer now desire to provide the terms and conditions under which Avolve will provide the Initial Purchase to Customer, as well provide the terms and conditions for the Customer to purchase other Professional Services from Avolve, without the assistance of Financing Company or another paying agent;

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants and promises set forth herein, Avolve and Customer agree as follows.

SECTION A. – AVOLVE SAAS SOLUTION

1. Avolve SAAS Solution.
 - a. Use Rights. Subject to Customer's compliance with all the terms and conditions of this Agreement, Avolve grants to Customer a non-exclusive, non-transferable, non-sublicensable right during the subscription term ("Subscription Term") identified in the Implementation SOW (attached hereto as Exhibit 2) to permit Users to use the Avolve SAAS Solution identified in the Implementation SOW for Customer's internal business operations, solely for the specific Business Unit(s) as further set forth in the Implementation SOW. Should Customer desire to reorganize any such Business Unit, it shall provide Avolve written notice as soon as possible following the determination of reorganization, so that Avolve may review the planned reorganization to determine if it is consistent with the Business Unit limitation in this use rights grant and, if not, what additional fees will be required due to Customer's reorganization to include additional Business Units. As used in this Agreement, "User" means authorized Customer employees and third parties that require access to the Avolve SAAS Solution in connection with the Customer's internal business operations, such as the Customer's administrators, contractors, reviewers, and applicants. There may be different types/levels of Users for the Avolve SAAS Solution, such as administrator Users, if so identified in the Implementation SOW.
 - b. Storage. The Avolve SAAS Solution will include for the initial Subscription Term the amount of storage set forth in the Implementation SOW. Customer acknowledges that should Customer exceed the included storage limits after Avolve has sent notice to Customer in accordance with Avolve's then-current standard storage limits and data backup practices (available upon request), additional charges will be incurred by Customer. Avolve shall invoice Customer for any such additional incurred charges, and Customer shall pay such invoices, in accordance with Section C of this Agreement. Avolve may, in its sole discretion, modify the amount of standard storage included at no additional charge with the

Avolve SAAS Solution, with such modification to become effective upon the effective date of any renewal term provided that Avolve provides Customer written notice of such modification at least ninety days in advance of the expiration of the then-current Subscription Term.

- c. Restrictions on Use. Customer will not, and will ensure that its Users do not: (i) except as expressly stated herein, copy, reproduce, distribute, republish, download, display, host or transmit in any form or by any means, including but not limited to electronic, mechanical, photocopying, recording, or other means, any part of Avolve SAAS Solution or any other Avolve materials; (ii) use the Avolve SAAS Solution or any other Avolve materials to provide services to third parties (e.g., business process outsourcing, service bureau applications or third party training); (iii) assign, sublicense, sell, lease, loan, resell, sublicense or otherwise distribute or transfer or convey the Avolve SAAS Solution or any other Avolve materials, or pledge as security or otherwise encumber Customer's rights under this Agreement; (iii) make any use of or perform any acts with respect to the Avolve SAAS Solution or any other Avolve materials other than as expressly permitted in accordance with the terms of this Agreement; or (iv) use the Avolve SAAS Solution components other than those specifically identified in the Implementation SOW and then only as part of Avolve SAAS Solution as a whole, even if it is also technically possible for Customer to access other Avolve SAAS Solution components; or (v) modify, further develop or create any derivative works of, disassemble, decompile, reverse engineer or otherwise attempt to obtain or perceive the source code from which any part of Avolve SAAS Solution is compiled or interpreted, or access or use Avolve SAAS Solution in order to build a similar or competitive product or service; (vi) allow use of the Avolve SAAS Solution or any other Avolve materials by anyone other than authorized Users; (vii) publish any results of benchmark tests run on Avolve SAAS Solution; (viii) unless otherwise expressly authorized in writing by Avolve, use the Avolve SAAS Solution in connection with any software product or tools, or any other software as a service not provided by Avolve; and (ix) input, upload, transmit or otherwise provide to or through Avolve SAAS Solution or any systems used by Avolve anything that is unlawful, injurious, or contains, transmits or activates any harmful code. Customer acknowledges that nothing herein will be construed to grant Customer any right to obtain or use the source code from which Avolve SAAS Solution is delivered. Customer shall not tamper with or attempt to disable any security device or protection used by Avolve SAAS Solution or any other Avolve materials, nor shall Customer damage, destroy, disrupt or otherwise impede or harm in any manner the Avolve SAAS Solution or any systems used by Avolve. Customer agrees to take all commercially reasonable steps to ensure that Users abide by the terms of this Agreement and expressly agrees to indemnify Avolve, its officers, employees, agents and subcontractors from and against all claims, liabilities, losses, damages and costs (including reasonable attorney fees) suffered by Avolve arising from a breach by the User of the conditions of this Agreement.
- d. High-Risk Activities. The Avolve SAAS Solution is not fault-tolerant and is not designed, manufactured, or intended for use or resale as online control equipment in hazardous environments requiring fail-safe performance, such as in the operation of nuclear facilities, aircraft navigation or communication systems, air traffic control, direct life support machines or weapons systems, in which the failure of the Avolve SAAS Solution or derived binaries could lead directly to death, personal injury, or severe physical or environmental damage. The Avolve SAAS Solution is also not designed or intended for use with Federal Tax Information (FTI) as defined in the Internal Revenue Service Publication 1075 (IRS 1075) or criminal justice information ("CJI"), such as fingerprint records and criminal histories. Customer shall not use the Avolve SAAS Solution for any of these high-risk activities, including without limitation transmitting, storing or otherwise processing any FTI or CJI with the Avolve SAAS Solution.
- e. Project Administrator. Customer agrees, if not already designed in the Implementation SOW, to promptly designate in writing one person to be the Customer's point person responsible for all communications with Avolve (the Customer's "Project Administrator"). The Project Administrator is responsible for project administration duties as documented in the Avolve systems guides, statements of work, and documentation (collectively, the "Documentation"), as provided for time to time by Avolve to Customer.

- f. Customer Connection. During the Term, the Customer is responsible for obtaining and maintaining connection to the Avolve SAAS Solution, including the Internet connection. Avolve shall not be responsible for any inadequacy or lack of functionality of Customer's connection to the Avolve SAAS Solution or the inability of the Customer's computer, telecommunications provider, or other equipment and capabilities to access or use the Avolve SAAS Solution.
- g. Third Party Service Providers and Components. Notwithstanding anything to the contrary in this Agreement or any other documents between Avolve and Customer, Customer acknowledges and agrees as follows.
1. The Avolve SAAS Solution and its component parts are protected by copyright and other propriety rights of Avolve and one or more third party software vendors (including Oracle and Open Text Corporation ("OTC")) (all such third party vendors, including without limitation Oracle and OTC, shall be referred to herein as "third party vendors" or "third party software vendors"). Customer may be held directly responsible by such third party vendors for acts relating to the Avolve SAAS Solution component parts that are not authorized by this Agreement. Customer's use of such third party software is limited to only in conjunction with Avolve SAAS Solution and Customer acknowledges that it is not allowed to modify such third party software or use it independent from Avolve SAAS Solution. TO THE MAXIMUM EXTENT PERMITTED BY LAW, THE CUSTOMER WAIVES, AND WILL CAUSE ITS USERS TO WAIVE, ALL CLAIMS AND CAUSES OF ACTION AGAINST SUCH THIRD PARTY SOFTWARE VENDORS THAT ARISE UNDER THIS AGREEMENT.
 2. If Customer purchases from Avolve hosting of the Avolve SAAS Solution on the Microsoft® Windows Azure™ platform, the terms and conditions for such cloud services as such may be updated by Microsoft Corporation from time to time, are found online on at <https://www.microsoft.com/licensing/docs/customeragreement>. Customer should review the documents available on this website carefully to be sure that Customer reviews the appropriate customer agreement. If Customer has purchased Microsoft Cloud for US Government, review the customer agreement for Microsoft Cloud for US Government. If Customer is purchasing commercial access, the customer agreement for commercial access for the United States applies. Upon Customer's request, Avolve will provide Customer with assistance on finding and/or a copy of the appropriate Microsoft customer agreement. Customer acknowledges and agrees THAT (A) THE HOSTED SERVICES WILL BE PERFORMED SOLELY AND EXCLUSIVELY SUBJECT TO THE APPLICABLE MICROSOFT CORPORATION'S CUSTOMER AGREEMENT (the "Microsoft Customer Agreement) , (B) THAT AVOLVE DOES NOT GUARANTY MICROSOFT CORPORATION'S OBLIGATIONS PURSUANT TO THE MICROSOFT CUSTOMER AGREEMENT, AND (C) NOR CAN AVOLVE GRANT ANY WARRANTIES OR ADDITIONAL TERMS TO THE CUSTOMER AS TO THE HOSTED SERVICES UNDER THIS AGREEMENT. THE HOSTED SERVICES ARE SOLELY GOVERNED BY THE MICROSOFT CUSTOMER AGREEMENT, TO WHICH AVOVLE IS NOT A PARTY. Microsoft Corporation makes certain service level commitments to its customers, which are available online in the Microsoft Corporation's SLAs at <https://azure.microsoft.com/en-us/support/legal/sla/summary/>. If Customer desires to make a claim under the Microsoft Corporation SLAs, Customer shall submit the claim through Avolve. Avolve will escalate the claim to Microsoft Corporation for review. If Microsoft Corporation determines that a credit is due, Avolve will credit Customer the amount Microsoft Corporation has paid to Avolve for the SLA credit promptly after receiving the credit from Microsoft Corporation.

- h. Compatibility Updates. Avolve will make commercially reasonable efforts to update the Avolve SAAS Solution, if and as required, to cause it to operate under new versions or releases of current operating systems and internet browsers, within fifteen (15) months of general availability.
- i. Passwords, Access. Customer may designate and add Users and shall provide and assign unique passwords and user names to each authorized User pursuant to Avolve's then-current protocols. At Avolve's discretion, Users may be added either by Avolve or directly by Customer. Customer shall ensure that multiple Users do not share a password or user name. Customer further acknowledges and agrees that it is prohibited from sharing passwords and/or user names with unauthorized users. Customer will be responsible for the confidentiality and use of its Users passwords and user names. Avolve will act as though any electronic communications it receives under such passwords, user names, and/or account numbers have been sent by Customer. Customer agrees to immediately notify Avolve if it becomes aware of any loss or theft or unauthorized use of any of passwords, user names, and/or account numbers. Customer agrees not to access Avolve Cloud by any means other than through the interfaces that are provided by Avolve.
- j. Transmission Of Data. Customer understands that the technical processing and transmission of Customer Data is necessary to use of the Avolve SAAS Solution, and consent to Avolve's interception and storage of Customer Data. Customer understands that its Users or Avolve may be transmitting Customer Data over the Internet, and over various networks, only part of which may be owned by Avolve. Avolve is not responsible for any portions of Customer Data that are lost, altered, intercepted or stored without authorization during the transmission of Customer Data across networks not owned by Avolve.
- k. Customer Responsibilities. Customer will (a) be responsible for Users' compliance with this Agreement, (b) be responsible for the accuracy, quality and legality of Customer Data and the means by which it acquired Customer Data, (c) be responsible for cooperating and assisting Avolve as reasonably requested by Avolve to facilitate performance of its obligations and exercising of its rights under this Agreement, (d) use the Avolve SAAS Solution and any other materials provided by Avolve only in accordance with the Documentation and applicable laws and government regulations, including complying with all applicable legal requirements regarding privacy and data protection so as to not violate the intellectual property, privacy or any other rights of any third parties, and (e) use commercially reasonable efforts to prevent any security breach, including any unauthorized access to or use of the Avolve SAAS Solution. Should Customer become aware of any actual or threatened security breach, Customer shall promptly notify Avolve and take all reasonable and lawful measures within its control that are necessary to stop the activity or threatened activity and to mitigate its effects (including, where applicable, by discontinuing and preventing any unauthorized access to the Avolve SAAS Solution). Customer shall provide sufficient notice to, and obtain sufficient consent from, its Users and any other party providing personal data to Avolve and its suppliers (including the Microsoft Corporation) to permit the processing of data by Avolve and its supplier, and their respective affiliates, subsidiaries, and service providers solely to the extent such processing of data is expressly allowed for under this Agreement, including for the purpose of disclosing it to law enforcement or other governmental authorities as directed by Avolve solely to the extent Avolve is required to do so by law, or otherwise mutually agreed to in writing by the parties.
- l. Data Backup. The Avolve SAAS Solution is programmed to perform data backups of Customer Data stored within the Avolve SAAS Solution in accordance with Avolve's then-current standard storage limits and data backup practices (available upon request). Additional data backups may be purchased for an additional fee from Avolve and such additional data backup services shall be documented in an SOW pursuant to Section B of this Agreement. In the event of any loss, destruction, damage or corruption of Customer Data caused by Avolve or the Avolve SAAS Solution, Avolve, as its sole obligation and liability and as Customer's sole remedy, will use commercially reasonable efforts to restore Customer Data from Avolve's most current backup of Customer Data.

- m. Ownership. Customer acknowledges and agrees that Avolve owns all right, title, and interest in and to all intellectual property rights (including all derivatives or improvements thereof) in the Avolve SAAS Solution and any suggestions, enhancements requests, feedback, recommendations or other information provided by Customer or any of its Users related to the Avolve SAAS Solution. Customer's use rights to the Avolve SAAS Solution and the related materials supplied by Avolve pursuant to this Agreement are strictly limited to the right to use the proprietary rights in accordance with the terms of this Agreement. No right of ownership, expressed or implied, is granted under this Agreement.
2. Security. The security, privacy and data protection commitments set forth in this Agreement only apply to products and services provided by Avolve directly to Customer and do not include any products or services resold by Avolve hereunder, including any hosting services provided by Microsoft Corporation pursuant to the Customer's Microsoft Customer Agreement.
- a. Security Program. Avolve has implemented and maintains an information security program that incorporates administrative, technical, and physical safeguards designed to protect the security, confidentiality, and integrity of the Customer Data provided by Customer and its Users to Avolve in accordance with this Agreement.
- b. Annual Audit. Avolve will use commercially reasonable efforts to conduct an annual security audit of Avolve using an independent third party selected by Avolve. Upon the Customer's written request, a copy of the final report from any such audit shall be promptly provided the Customer. The Customer agrees that any such reports or other information provided to Customer concerning any audit shall be the Confidential Information of Avolve.
- c. Security Breach. Avolve will notify Customer promptly and in no event later than one (1) business day following Avolve's discovery of a Data Security Breach (defined below) and shall (i) undertake a reasonable investigation of the reasons for and the circumstances surrounding such Data Security Breach and (ii) reasonably cooperate with Customer in connection with such investigation, including by providing Customer with an initial summary of the results of Avolve's investigation as soon as possible, but in all cases within two (2) business days after the date Avolve discovered or reasonably suspected a Data Security Breach, and then regular updates on the investigation as it progresses; (iii) not make any public announcements relating to such Data Security Breach without Customer's prior written approval, which shall not be unreasonably withheld; (iv) use commercially reasonable efforts to take all necessary and appropriate corrective action reasonably possible on Avolve's part designed to prevent a recurrence of such Data Security Breach; (v) collect and preserve evidence concerning the discovery, cause, vulnerability, remedial actions and impact related to such Data Security Breach, which shall meet reasonable expectations of forensic admissibility; and (vi) if requested by Customer, at Customer's cost, provide notice to individuals or entities whose Confidential Information was or may have been affected in a manner and format specified by Customer. In the event of any Data Security Breach is caused by Avolve, Customer shall have, in addition to all other rights and remedies available under this Agreement, law and equity, the right to terminate the Agreement upon thirty (30) days prior written notice. For purposes of this Agreement, the term "Data Security Breach" shall mean any of the following occurring in connection with Customer Data in connection with Customer's and its Users' authorized use of the Avolve SAAS Solution: (a) the loss or misuse of Customer Data; and (b) disclosure to, or acquisition, access or use by, any person not authorized to receive Customer Data, other than in circumstances in which the disclosure, acquisition, access or use is made in good faith and within the course and scope of the employment with Avolve or other professional relationship with Avolve and does not result in any further unauthorized disclosure, acquisition, access or use of Customer Data.
- d. Signatures. The parties shall use electronic signatures for all agreements unless otherwise prohibited by law. Prior to any public disclosure of any document containing a signature, the signature shall be redacted by the disclosing party in a manner which renders it illegible and unable to be copied.

3. Suspension Right. Avolve reserves the right to include disabling devices in the service and software provided under this Agreement and to use such disabling devices to suspend access and/or use when any payment is overdue or when Avolve believes that Users are using the Avolve SAAS Solution and/or any other materials or services provided by Avolve hereunder not in accordance with the Documentation, this Agreement and/or applicable laws and government regulations. In addition, if Customer is using Microsoft Corporation for hosting services, Microsoft Corporation may terminate or suspend Customer's hosting services in accordance with the Customer's Microsoft Customer Agreement and, should this happen, Customer will not be able to access the Avolve SAAS Solution. Customer agrees that Avolve shall not be liable to Customer, Users or to any third party for any suspension or inability to access the Avolve SAAS Solution pursuant to this Section A(3). If suspended for failure to pay, upon payment in full of all amounts overdue (including any interest owed), Customer may request the reactivation of its account. Avolve shall reactivate promptly after receiving in advance all applicable reactivation fees, provided that Avolve has not already terminated this Agreement.
4. Ownership and Disposition of Customer Owned Data, Hosting Location. "Customer Data" refers to the data provided by the Customer that resides in the Customer's Avolve SAAS Solution environment, including any plan review, project drawings and associated project documents. Customer shall own all Customer Data that may reside within Contractor's hosting environment, to include Disaster recovery site, equipment and media. Contractor is granted no rights hereunder to use the Customer Data except to the extent necessary to fulfill its obligations to Customer under this Agreement. Unless approved in writing by Customer, Avolve shall host the Avolve SAAS Solution provided to Customer hereunder from a data center located within the United States. Upon termination or expiration of Customer's right to use the Avolve SAAS Solution for any reason other than Customer's uncured material breach, for the first thirty (30) calendar days following termination or expiration, Customer may request in writing that Avolve provide a copy of Customer's then-current Customer Data and, for no additional cost, Avolve shall provide a copy in a mutually agreed upon format on media supplied by the Customer. If the parties are unable to mutually agree upon the format or the media supplied by Customer is not acceptable to Avolve, Avolve will use commercially reasonable efforts to still provide a copy of the Customer Data but Avolve may charge a reasonable professional services fee for increased costs incurred. After this time period has expired, Avolve has no further obligation to retain the Customer Data and shall use commercially reasonable efforts to promptly delete all Customer Data from the Avolve SAAS Solution.
5. Verification. Avolve shall be permitted to audit (at least once annually and in accordance with Avolve standard procedures, which may include on-site and/or remote audit) the usage of the Avolve SAAS Solution and any other materials provided by Avolve to Customer. Customer shall cooperate reasonably in the conduct of such audits. In the event an audit reveals that (i) Customer underpaid fees to Avolve and/or (ii) that Customer has used in excess of the use rights granted herein, Customer shall pay such underpaid fees for such excess usage. Reasonable costs of Avolve's audit shall be paid by Customer if the audit results indicate usage in excess of the authorized quantities or levels. Avolve reserves all rights at law and equity with respect to both Customer's underpayment of fees and usage in excess of the authorized quantities or levels.

SECTION B. – PROFESSIONAL SERVICES AND SOWS

1. Statements of Work. From time-to-time during the Term of this Agreement, the parties may enter into statements-of-work (each being an "SOW") for Avolve SAAS Solution use rights (including additional storage) and/or Professional Services on terms mutually agreed in writing between the parties in the SOW, including, without limitation, scope of services, expected deliverables, milestone dates, acceptance procedures and criteria, fees and other such matters. No SOW shall be binding until executed by both parties. Each SOW will be incorporated into and subject to this Agreement. In the case of any conflict between the SOW and this Agreement, this Agreement shall control unless the SOW specifically states otherwise.

SECTION C. – GENERAL TERMS AND CONDITIONS

1. Fees.

- a. Implementation SOW and Additional Storage Fees. The Implementation SOW includes the Avolve SAAS Solution subscription fees, as well as the training and implementation professional services; which, unless set forth otherwise in the Implementation SOW, shall be invoiced by Avolve in full, in advance on the Effective Date. Additional storage fees shall be as set forth in the then-current standard storage limits and data backup practices document, a copy of which is available from Avolve upon request. Additional storage fees will be invoiced in accordance with the then-current standard storage limits and data backup practices document.
- b. Other SOWs. Any SOWs that Avolve and the Customer may execute from time to time during the Term of this Agreement shall include within them the applicable fees, including whether the Avolve SAAS Solution subscription fees and/or Professional Services fees are being paid by Customer through Financing Company, by Customer through another paying agent, or by Customer directly to Avolve. Unless otherwise specified in the SOW, Professional Services fees will be invoiced as the Professional Services are delivered and Avolve SAAS Solution subscription fees will be invoiced yearly, in advance, in full at the time the SOW is executed.
- c. General Terms. Unless set forth otherwise in an SOW, payment on all invoiced amounts shall be due thirty (30) days from receipt of invoice, with past due amounts accruing interest at the rate of the lesser of either 18% per annum or the maximum amount as allowed by law. The City considers payments as being made on the day a check is dated.

Avolve will invoice for the Avolve SAAS Solution subscription fees yearly, in advance, with the first invoice being issued on the Effective Date of this Agreement. The Customer agrees to pay all invoiced subscription fees net thirty (30) days from receipt of invoice, with past due amounts accruing interest at the rate of the lesser of either 18% per annum or the maximum amount as allowed by law. All fees are due in advance, irrevocable and non-refundable (except as expressly set forth otherwise in this Agreement). Customer agrees to provide Avolve with complete and accurate billing and contact information.

2. Taxes. Fees and other charges described in this Agreement do not include federal, state or local sales, foreign withholding, use, property, excise, service, or similar transaction taxes ("Tax(es)") now or hereafter levied, all of which shall be for Customer's account. Any applicable direct pay permits or valid tax-exempt certificates must be provided to Avolve prior to the execution of this Agreement. If Avolve is required to pay Taxes, Customer shall reimburse Avolve for such amounts.
3. Term. Except if terminated earlier in accordance with this Section C(3), this Agreement shall commence on the Effective Date and shall continue for the longer of either (a) the expiration of the Subscription Term for the Avolve SAAS Solution or (b) the completion of all Professional Services under all SOWs. Except as otherwise provided in any SOW, UPON THE EXPIRATION OF THE INITIAL TERM, THE SUBSCRIPTION TERM SHALL AUTOMATICALLY RENEW FOR SUCCESSIVE RENEWAL TERMS EACH EQUAL TO TWELVE (12) MONTHS. THE ANNUAL SUBSCRIPTION PRICE FOR YEARS 2 AND 3 SHALL BE \$82,650 AND \$95,160, RESPECTIVELY. SUBSEQUENT YEARS WILL BE PRICED AT THE LESSER OF A 5% INCREASE OVER THE PREVIOUS 12 MONTH PERIOD, OR AVOLVE'S THEN CURRENT FEES FOR CUSTOMER'S THEN CURRENT USAGE, UNLESS EITHER PARTY PROVIDES NOTICE OF NON-RENEWAL AS SET FORTH IN THIS SECTION C(3). Avolve will provide notice of non-renewal or a notice of the fees due for each Renewal Term at least sixty (60) days prior to the commencement of the Renewal Term. If a notice of fees is provided, it will be in the form of an invoice. Customer acknowledges that it is its responsibility to provide a current email address to Avolve and to monitor such address for such notices. Customer may elect not to renew a Subscription Term by providing notice to Avolve at least thirty (30) days prior to the commencement of the Renewal Term. Avolve will provide, upon renewal, updates to all business

operation documentation that was required at execution of this contract, such as certificates of insurance and proof of Escondido business license.

4. Termination. In addition to any termination rights that may be set forth in a specific SOW, either party may (a) terminate this Agreement for convenience upon sixty days prior written notice to the other party and (b) terminate this Agreement for material breach in the event that the other party materially breaches this Agreement and thereafter has failed to cure such material breach (or commenced diligent efforts to cure such breach that are reasonably acceptable to the terminating party) within thirty (30) days after receiving written notice thereof. Without prejudice to either party's rights to terminate set forth in the prior sentence, if Customer has purchased from Avolve hosting of the Avolve SAAS Solution on the Microsoft® Windows Azure™ platform, and Microsoft Corporation terminates the Customer's Microsoft Customer Agreement during a Subscription Term, Avolve and Customer shall act in good faith to determine a mutually acceptable replacement provider promptly upon receiving notice of Microsoft Corporation's intent to terminate the Customer's Microsoft Customer Agreement. Upon termination by either party, Customer shall be provided all data stored on Customer's behalf by Avolve, in accordance with Section A(4).
5. Force Majeure. Any delay or nonperformance of any provision of this Agreement (other than for the payment of amounts due hereunder) caused by conditions beyond the reasonable control of the performing party shall not constitute a breach of this Agreement, and the time for performance of such provision, if any, shall be deemed to be extended for a period equal to the duration of the conditions preventing performance.
6. Confidentiality. Each party shall use commercially reasonable efforts to hold confidential information ("Confidential Information") of the other in confidence. All Confidential Information (including but not limited to data) shall (i) remain the sole property of the disclosing party and (ii) be used by the receiving party only as authorized herein. Information will not be considered to be Confidential Information if (i) available to the public other than by a breach of this agreement; (ii) rightfully received from a third party not in breach of any obligation of confidentiality, (iii) independently developed by or for a party without access to Confidential Information of the other; (iv) lawfully known to the receiving party at the time of disclosure, (v) produced in compliance with applicable law, securities reporting requirement or a government or court order, provided the other party is given notice and an opportunity to intervene unless prohibited by law; or (vi) it does not constitute a trade secret and more than three (3) years have elapsed from the date of disclosure. If Avolve receives a request for Customer Data (either directly or as redirected to Avolve by the Microsoft Corporation), then Avolve shall redirect the law enforcement agency to request that data directly from Customer. If compelled to disclose Customer Data to law enforcement, then Avolve shall within five business days notify Customer and provide a copy of the demand, unless legally prohibited from doing so. To the extent required by law, Customer shall notify individual Users that their data may be processed for the purpose of disclosing it to law enforcement of other governmental authorities as directed by Avolve, and shall obtain the User's consent to the same.
7. Indemnification; Limitation of Liability.
 - Indemnification. If a third party makes a claim against the Customer that any Customer's use of the Avolve SAAS Solution in accordance with the terms of this Agreement infringes such third party's intellectual property rights, Avolve, at its sole cost and expense, will defend Customer against the claim and indemnify Customer from the damages, losses, liabilities, costs and expenses awarded by the court to the third party claiming infringement or the settlement agreed to by Avolve, provided that Customer: (i) notifies Avolve promptly in writing of the claim; (ii) gives Avolve sole control of the defense and any settlement negotiations; and (iii) gives Avolve reasonable assistance in the defense of such claim. If Avolve believes or it is determined that the Avolve SAAS Solution has violated a third party's intellectual property rights, Avolve may choose to either modify the Avolve SAAS Solution to be non-infringing or obtain a license to allow for continued use, or if these alternatives are not commercially reasonable, Avolve may terminate Customer's use rights and refund any unused, prepaid fees Customer may have paid to Avolve. Avolve will not indemnify the Customer to the extent that the alleged infringement arises from (1) the combination, operation, or use of the Avolve SAAS Solution with products, services, information, materials, technologies,

business methods or processes not furnished by Avolve; (2) modifications to the Avolve SAAS Solution, which modifications are not made by Avolve; (3) failure to use updates to the Avolve SAAS Solution provided by Avolve; or (4) use of Avolve SAAS Solution except in accordance with any applicable Documentation or specifications. Interfaces developed exclusively by Avolve using Avolve's standard APIs, and configuration changes made within the Avolve-provided user interface to the product by Avolve shall not constitute modifications for purposes of this section. Customer development of API interfaces not authorized by Avolve Software, or the use of API calls for pushing or pulling data to or from the Avolve SaaS system that has a negative impact to the performance or functionality of the system requiring Avolve Software assistance for resolution are not covered. This includes modifications to workflows and the overall system configurations available to the customer.

- a. This section provides THE SOLE, EXCLUSIVE, AND ENTIRE LIABILITY OF AVOLVE AND ITS LICENSORS TO CUSTOMER, AND IS CUSTOMER'S SOLE REMEDY, WITH RESPECT TO THE INFRINGEMENT OR MISAPPROPRIATION OF INTELLECTUAL PROPERTY RIGHTS.
- b. Limitation of Liability. In no event will Avolve be liable for special, indirect, incidental, consequential, or exemplary damages, including, without limitation, any damages resulting from loss of use, loss of data, interruption of business activities, or failure to realize savings arising out of or in connection with this agreement, including without limitation use of the Avolve SAAS Solution and the provision of the Professional Services. Except for direct damages and expenses associated with Avolve's obligation to indemnify Customer pursuant to Section C (7) (a), Avolve's aggregate, cumulative liability for damages and expenses arising out of this Agreement, whether based on a theory of contract or tort, including negligence and strict liability, will be limited to the amount of fees received by Avolve under this Agreement. Such fees reflect and are set in reliance upon this limitation of liability. The limited remedies set forth in this Agreement shall apply notwithstanding the failure of their essential purpose.

8. Support; Warranties.

- a. Support. During the Customer's Subscription Term, at no additional cost to the Customer, Avolve shall provide the Avolve SAAS Solution in accordance with Avolve's Service Level Agreement (attached hereto as Exhibit 1).
- b. Warranties. Customer warrants and covenants that it owns or otherwise has and will have the necessary rights and consents in and relating to the Customer Data so that, as received by Avolve and processed in accordance with this Agreement, they do not and will not infringe, misappropriate or otherwise violate any intellectual property rights, or any privacy or other rights of any third party or violate any applicable laws or and government regulations, including but not limited to all foreign, United States federal and United States state recording laws. If Customer is purchasing from Avolve resold rights to Microsoft Cloud for US Government, Customer further warrants that it is one of the following: (i) a bureau, office, agency, department or other entity of the United States Government; (ii) any agency of a state or local government in the United States; (iii) any United States county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state jurisdiction and geographic boundaries; or (iv) a federally-recognized tribal entity performing tribal governmental functions and eligible for funding and services from the US Department of Interior by virtue of its status as an Indian tribe.
- c. Disclaimer. Avolve AND ITS SUPPLIERS AND LICENSORS DISCLAIM ALL OTHER WARRANTIES STATUTORY, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO WARRANTY IS GIVEN AS TO ACCURACY, ERROR-FREE OR UNINTERRUPTED SERVICE. CUSTOMER ASSUMES ALL RESPONSIBILITY FOR DETERMINING WHETHER THE SERVICES, ANY AVOLVE MATERIALS, THE AVOLVE SAAS SOLUTION OR THE INFORMATION GENERATED THEREBY IS ACCURATE OR SUFFICIENT FOR ITS PURPOSES. EACH PARTY DISCLAIMS ALL LIABILITY AND INDEMNIFICATION

OBLIGATIONS FOR ANY HARM OR DAMAGES CAUSED BY ANY THIRD-PARTY HOSTING PROVIDERS. Avolve makes no warranties or conditions as to any services or products distributed under a third-party name, copyright, trademark or trade name that may be offered with or incorporated with the Avolve SAAS Solution or Professional Services provided by Avolve hereunder (such as the Microsoft hosting services). To the maximum extent permitted by law, Avolve will have no liability in connection with the third-party services or products.

9. Notices: Any notices being given by this Agreement shall be in writing and shall be effective if delivered personally, sent by prepaid courier service, sent by prepaid mail, or sent by facsimile or electronic communication (confirmed on the same or following day by prepaid mail). All correspondence shall be addressed to the parties as follows:

If to Avolve:

Mr. Jay Mayne

CFO

Avolve Software Corporation
21001 N. Tatum Blvd, Suite 1630-503
Scottsdale, AZ 85050

If to Customer:

Robert Van De Hey

Chief Information Officer

City of Escondido
201 N. Broadway

Escondido, CA 92025

10. Governing Law. This Agreement will be governed by and construed in accordance with the laws of Customer's state of domicile.
11. Entire Agreement. This Agreement, together with any SOWs, constitutes the entire agreement and understanding between the parties and supersedes any prior agreements, representation, or understandings, whether oral or written, relating to the services provided hereunder.
12. Severability. Should any court of competent jurisdiction declare any term of this Agreement void or unenforceable, such declaration shall have no effect on the remaining terms hereof.
13. Assignment. These services and any other information or rights provided by Avolve, may not be sold, leased, assigned, sublicensed or otherwise transferred in whole or in part. Customer may not assign this Agreement or the benefits there from in whole or in part without the prior written consent of Avolve, which consent shall not be unreasonably withheld. Any assignment made in conflict with this provision shall be voidable at the option of Avolve.
14. Independent Contractor. Avolve is an independent contractor and not an employee of the Customer. Any personnel performing services under this Agreement on behalf of Avolve shall at all times be under Avolve's exclusive direction and control. Avolve shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of services under this Agreement and as required by law. Avolve shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, and worker's compensation insurance.
15. Amendment. This Agreement may only be modified by written amendment signed by authorized representatives of both parties.
16. Hierarchy. The following order of precedence shall be applied in the event of conflict or inconsistency between provisions of the components of this Agreement: (i) this Agreement and (ii) the applicable Avolve Support SLA or SOW. Notwithstanding the foregoing, if any part of the Avolve Support SLA or SOW expressly states that it shall control over the Agreement, it shall so control.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth below.

Avolve Software Corporation

City of Escondido

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



EXHIBIT 1 – SERVICES SERVICE LEVEL AGREEMENT (SLA) SUPPORT PROCESS AND SERVICE LEVEL AGREEMENT

Avolve’s current support process and service level commitments (“Support”) are defined below.

Support Portal. Avolve provides Support through its Support Portal (<https://support.avolvesoftware.com>). All issues can be logged using the portal or through an on-call support number. Customer personnel receive Support Portal login credentials promptly following purchase of rights to use the Avolve SAAS Solution. After a login is received, the Customer may enter, track, update, and report on trouble ticket, as well as communicate with Avolve helpdesk staff via phone, email, web meeting, and/or ticket notes. Help, FAQs, Documentation, and a Knowledge-base are also available at the Avolve support portal.

Support Hours. 8 AM – 5 PM MST, Monday through Friday (excluding standard holidays).

Planned Downtime. Avolve or its third-party agent may render the Avolve SAAS Solution unavailable in order to perform upgrades, updates, patches, enhancements and routine maintenance activities, so long as the Avolve SAAS Solution is only unavailable to Customer and its Customer Users outside of the hours of 7 AM through 9 PM East Coast Time on business days during the Subscription Term. Avolve shall provide no less than five (5) days advance notice to Customer of any planned downtime. Customer acknowledges that in the case of emergencies, Avolve or its third-party agents may render the Avolve SAAS Solution unavailable in order to address the emergency. In such situations, if reasonably feasible, Avolve will provide notice to Customer in advance of rendering the Avolve SAAS Solution unavailable or, if not reasonably feasible, notice to Customer promptly following the rendering of the Avolve SAAS Solution unavailable. Customer understands and agrees that Avolve shall not be liable for any such interruption in access to the Avolve SAAS Solution for downtime occurring pursuant to this paragraph (collectively, referred to herein as “Planned Downtime”).

On-Site Emergency Support. Customer may request on-site emergency operational support services as a separate and distinct billable service. In such cases and at its discretion, Avolve will dispatch appropriate technical staff to deliver on-site technical services.

Problem Determination and Resolution. Avolve resources are allocated to resolve reported problems based on the severity level as described in the following table. Avolve uses commercially reasonable efforts to provide a prompt acknowledgement, acceptable resolution, workaround, or a plan for the provision of a resolution or acceptable workaround in the timeframe set forth below:

Incident Response, Resolution, and Restoration Times					
Severity Level	System Down	Critical	High	Medium	Low
Response Time	1 hour	4 business hours	12 business hours	24 business hours	48 business hours
Resolution Time	Reasonable Best Effort	Reasonable Best Effort	Reasonable Best Effort	Reasonable Best Effort	Reasonable Best Effort
Incident Reports	24 Hours	n/a	n/a	n/a	n/a

*Normal Business Hours: 8:00 a.m. through 5:00 p.m. Mountain Standard Time, Monday through Friday (excluding standard holidays).



Support Classification Definitions:

- **Response Time.** Once a problem has been reported, the Customer receives an acknowledgement by email, chat, phone or the through the support portal. Avolve will begin the process of problem determination and resolution at this point. The time the ticket is submitted, and the response time will be logged to ensure SLA is met.
- **Status Updates.** During the problem determination and resolution process, Customer may receive regular communications, via email, chat, phone, or the support portal, as to the status of the problem determination and resolution. All communications should be logged in Avolve's support system including date, time, and contact name. This helps Avolve and the customer determine the status and duration of the issue reported. Any communications outside the support portal, unless scheduled by Avolve Support such as an online conference (e.g., Zoom or Teams), will not be considered as part of Avolve's SLA. Tickets forwarded to Avolve Development/QA or 3rd Party Software company for further analysis or patch development, may result to delayed updates to the customer.
- **Resolution Time.** It is the time the issue should be resolved. In some instances, a resolution may still be a temporary fix beyond the viable workaround. This incident occurs if the solution requires a product patch and/or product upgrade that result to a longer resolution schedule.
- **Severity Re-classification.** Avolve and the Customer can reclassify the severity of a ticket if required.

Severity Type Definitions:

- **System Down:** A complete system failure impacting Customer's ability to use the system that affects their business operations. From a time management perspective, it is urgent and important. Examples of a system down severity is when all users are unable to login or various errors occur simultaneously for all users. Avolve Support will respond to the ticket within 1 hour and try to restore the system within 4 hours. Customer's administrators, IT, and/or users experiencing the issue may need to be available to help address specific tickets. If it requires further investigation and longer resolution time, a temporary workaround (i.e., restoration) will be determined with the Customer to allow operations to proceed during business or non-business hours. Status updates will be provided periodically, on a System Down tickets 24x7 until resolution. Infrastructure issues are often resolved quickly by service or system restart. Any potential system alerts will be promptly addressed in an effort to avoid issues from reoccurring. Avolve will create a new ticket with a low severity rating if the issue has been resolved but require further root-cause analysis.
- **Critical:** An application failure impacting 1 or more end-users' ability to use the system and affects critical operations that need to be addressed immediately. From a time management perspective, it is urgent and important for some users. Examples of a critical severity is when 1 or more users are unable to upload files, batch stamp approved plans, open several files, or run reports after several attempts. Avolve Support will respond to the issue within 4 hours and try to resolve the issue within 6 hours. Customer's administrators, IT, and/or users experiencing the issue may need to be available to help address specific issues. If it requires further investigation and longer resolution time, a temporary workaround (i.e., restoration) will be determined with the customer to allow operations to proceed during business hours. Critical tickets will be immediately worked on until restoration from Monday to Friday (excluding US holidays) and within business hours. Any issue that requires work beyond work hours will be addressed on the following workday and within business hours. Avolve will create a new ticket with a low severity rating if the issue has been resolved but require further root-cause analysis.
- **High:** An error that causes Avolve product to fail with minimal business impact. From a time management perspective, it is not urgent but important. Examples of a high severity are intermittent but frequent operational errors that need to be addressed. Avolve Support will respond to the issue



within 12 business hours and try to resolve the issue within 24 business hours. If it requires further investigation and longer resolution time, a temporary workaround will be determined with the customer to allow operations to proceed during business hours. Support will work on the issue from Monday to Friday (excluding US holidays) and within business hours. Any issue that requires work beyond business hours will be addressed on the following workday and within business hours. Avolve will create a new ticket with a low severity rating if the issue has been resolved but require further root-cause analysis.

- **Medium:** An error that causes Avolve product to fail with no significant business impact. From a time management perspective, it is not urgent and slightly important to some users. Examples of a medium severity are how-to questions, or specific issues only occurring to a single end-user. Avolve Support will respond to the issue within 24 business hours and resolve the issue within reasonable best efforts. Support will work on the issue from Monday to Friday (excluding US holidays) and within business hours. Any issue that requires work beyond business hours will be addressed on the following workday and within business hours.
- **Low:** A service request for a new feature, additional documentation, or an explanation of product functionality that does not impact business operations. From a time management perspective, it is not urgent with low importance. Avolve Support will respond to the issue within 48 business hours and resolve the issue within reasonable best efforts. Support will work on the issue from Monday to Friday (excluding US holidays) and within business hours. Any issue that requires work beyond business hours will be addressed on the following workday and within business hours.

Unsupported Issues. Avolve does not cover under Support, and the SLA does not include the following conditions (collectively, the "Unsupported Issues").

- Any Avolve SAAS Solution use not covered by an active support contract and/or not in compliance with a valid agreement with Avolve. Authorized users of the Avolve SAAS Solution are entitled to Support as part of their use fee.
- End-user's computer hardware/software configurations such as OS (e.g., Linux or older Windows versions) or browser versions not supported by Avolve.
- Problems caused by misuse or misapplication of the Avolve SAAS Solution, including any anomalies and/or failures in test or production operating environments that impact the Avolve SAAS Solution and are determined to have their cause due to unwarranted Customer decisions, actions, system modification, policies and/or procedures. Interfaces created exclusively by Avolve using Avolve's standard APIs, and configuration changes made exclusively by Avolve within the Avolve-provided user interface to the product shall not constitute misuse or misapplication and are not considered unwarranted for purposes of this section. Customer development of API interfaces not authorized by Avolve Software, or the use of API calls for pushing or pulling data to or from the Avolve SaaS system that has a negative impact to the performance or functionality of the system requiring Avolve Software assistance for resolution are not covered. This includes modifications to workflows and the overall system configurations available to the customer.
- Problems caused by Customer's custom application code authorized to be developed using Avolve APIs as set forth in the documentation accompanying such API and the Customer's Agreement.
- Problems caused by updates or upgrades of 3rd party applications that are integrated with Avolve products and/or services.



- All Training programs, regardless of software version updates and/or upgrades.
- On-premises type of support including but not limited to: (a) End-user's Windows configuration issues; (b) On-prem firewall or other security device configuration; (c) On-prem VPN, proxy servers, or other internal devices that connect to the Avolve SaaS solution; (d) Customer DNS, SSL certifications, or Azure AD configurations and updates if used for the Avolve SaaS solution; (e) On-prem or end-user's network performance monitoring and updates; (f) End-User browser support; (g) User-modified and new workflows or eforms. Additional services may be purchased for an additional fee.
- Any other reasons expressly set forth in the Customer's Agreement.

Avolve, in its sole discretion, shall determine whether any of the foregoing exclusions are applicable to Customer. Any services provided for exclusions shall be paid by Customer at Avolve's then-current rates, as well as all travel and other expenses incurred by Avolve in providing such services.

Customer's Obligations for Operational Support. To facilitate clear and consistent communication and timely issue resolution, Customer shall designate up to four contact persons for technical support processes. These individuals are responsible for initiating support requests, communicating with Avolve technical support personnel, and monitoring the support process with Avolve. Timely Customer response to Avolve requests for information during issue resolution is a necessary pre-requisite to Avolve's providing Support. Avolve also requires remote access to the Customer system for the purpose of problem determination and analysis. Where reasonably necessary to provide Support, Customer shall provide Avolve's technical support personnel reasonable, remote access capabilities into Customer's systems. Upon Avolve's request, Customer will also provide reasonable supporting data to aid in the identification and resolution of the issue.

Service Level Commitments

Uptime commitment. Per Avolve's SaaS agreement, Avolve will use commercially reasonable efforts to make the Avolve SAAS Solution available. The Annual Uptime Percentage has 2 components: The infrastructure uptime, which is dependent on Microsoft's SLA; Avolve software, which is 99.5%, excluding Planned Downtime. In the event that Avolve does not meet this uptime commitment, Customer will be eligible to receive a service credit for 10% of the monthly fee for each one (1) hour of downtime, up to Customer's Pro-Rated Monthly Subscription Fee.

Definitions

- "Annual Uptime Percentage" is calculated by subtracting from 100% the percentage of 10-minute periods during a calendar month in which the Avolve SAAS Solutions was Unavailable to Customer.
- "Availability" means the ability to log into the Avolve SAAS Solution.
- "Claim" means a claim for a service credit Customer submits by opening a support case with Avolve, on the basis that the hosted Avolve SaaS Product infrastructure has been Unavailable to Customer during a service month.
- "Pro-Rated Monthly Subscription Fee" is calculated by dividing the Customer's applicable annual Avolve SAAS Solution subscription fee by twelve.
- "Unavailability" means the inability to log into the Avolve SAAS Solution.

Service Credit Requests

To receive a service credit, Customer must notify Avolve and submit a Claim within thirty (30) days from the incident that would be the basis for the claim. To be eligible, the Claim must include (a) the dates, times, description and duration of each incident experienced; and (b) the Customer's event logs or any other system telemetry that



document the errors and corroborate the claimed Unavailability (any confidential or sensitive information should be removed). Failure to provide a timely Claim, which includes all the required information, will disqualify the Claim and Customer from receiving a service credit. If Avolve validates the Claim, then Avolve will promptly issue the service credit.

Service Credit Provisions

Service credits are Customer's sole and exclusive remedy for any failure of Avolve to provide the Avolve SAAS Solution in accordance with the terms of the Agreement. Service credits shall be a credit toward future services only and do not entitle Customer to any refund or other payment from Avolve. Service credits may not be transferred, applied to another account, exchanged for, or converted to monetary amounts.

The maximum service credits awarded with respect to Claims the Customer submits in any calendar month shall not, under any circumstance, exceed in the aggregate the Customer's Pro-Rated Monthly Subscription Fee for such month. Avolve will use all information reasonably available to it to validate Claims and make a good faith judgment on whether a service credit should be applied to the Claim.

SLA Exclusions

This SLA does not apply to any Availability or Unavailability of the Avolve SAAS Solution:

- During Planned Downtime;
- Caused by Unsupported Issues;
- Caused by factors outside of Avolve's or Avolve's hosting company's control, including any force majeure event or interruption or impediment to Internet access or related problems;
- That result from Customer's equipment, software or other technology and/or third party equipment, software or other technology, including any third party hosting providers;
- That resulted from Planned Maintenance or associated to beta, evaluation, non-production systems, and trial services accounts;
- That result from any actions or inactions from Customer or any third party, including employees, Users, agents, contractors, or vendors, or anyone gaining access to the hosted Avolve SaaS Product infrastructure by means of Customer's (and its Users') passwords or equipment;
- Arising from Avolve's suspension and termination of Customer's right to use the hosted infrastructure in accordance with the Agreement; and
- That result from Avolve application software implementation errors caused by Customer's configuration, customization, installation, or human errors.
- Avolve, in its sole discretion, shall determine whether any of the foregoing exclusions are applicable to Customer. Avolve may, but is not obligated to, issue a Service Credit in Avolve's sole discretion where Customer's use of the Avolve SAAS Solution may be Unavailable due to factors other than expressly provided here in this SLA.



City of Escondido, CA

ProjectDox® ePlan Solution Proposal

February 28, 2023



Prepared by your Avolve Software Representative

Bruce Crawford
Director NorCal Northwest Sales
4835 East Cactus Road
Suite 420
Scottsdale, AZ 85254
www.avolvesoftware.com

Telephone: 415-272-9435
Email: bcrawford@avolvesoftware.com



February 28, 2023

City of Escondido, CA
201 North Broadway
Escondido, CA 92025
ATT: Andrew Firestine

We are pleased to propose ProjectDox from Avolve Software. Based on our discussions to date and information derived from an all-day meeting with various Escondido departments and stakeholders, we have prepared a comprehensive proposal and implementation plan, including the implementation of Avolve Best In Class workflows for Building, Planning, Engineering and Fire.

Avolve Best In Class workflows represent the consolidation and refinement of tens of thousands of customer interactions, design and development hours spent addressing customers electronic plan review needs, and more.

Avolve's ProjectDox product and professional services is unrivaled leading the nation in the number of dedicated ePlan installations, jurisdiction size, years of ePlan experience, the complexity of ePlan projects managed and deployed, and features and functions that support optimum flexibility and ease of-use by departments and citizenry alike.

Our proposal will directly address City of Escondido's desire to increase transparency both inside and outside the organization, create plan review efficiency and optimize the applicant and reviewer experience, track all review activities with increased downstream/upstream visibility, and ultimately accelerate jobs and revenues driving economic development.

We appreciate the opportunity to work to earn your business and look forward to partnering with you on this important initiative.

Regards,

Bruce Crawford



Executive Summary

ProjectDox will address City of Escondido's core needs and much more

Ease of Use:

ProjectDox guides your customer (applicant) through their participation in the plan review process. Once a review starts, the applicant immediately receives an email with instructions on how to upload their plan set. Each applicant interaction has a step-by-step instruction and videos to guide the applicant along the way. System interactions quickly become familiar for completing a submission correctly, addressing plan set corrections and downloading the approved plan set.

Review Efficiency

Avolve customers have reported 60-75% efficiency improvements overall, allowing more to be done with existing staff. Become a highly competitive community for attracting new business growth development.

- Multiple departments and external agencies can participate in a review, collaborate together (no additional licensing required)
- Review comments are auto assembled for all reviewing departments and outside agencies into a single applicant communication of record for all review cycles
- All participants, including the applicant, know what they need to do next, and when it is due (reminders automatically sent by the system)
- Automation of process steps like stamping, applicant digital certifications, notifications, and reminders

Process Insight

Each part of the review process is tracked across each review cycle, providing full insight on SLAs, departmental overloads, efficiency, and workload trends. These analytics are available as dashboard reports by managerial/supervisor levels. CBOs, Planning and Engineering Directors can have dashboards to key/strategic project reviews, departmental analytics to support budget requests, and more. A full record of "everything" communicated to the applicant and their responses is captured and available for archival record. Your applicant has a self-serve ability to track the project review status, reducing inbound inquiry calls, with presentation of any time delays that may have resulted from them. Jurisdictions can choose to enable applicant insight to review comments as the review progresses, allowing them to get an earlier start on changes or corrections required.

Process Solution with View & Markup

- The system operates by permit type, assigns the applicant, appropriate reviewers, coordinators, and external agencies their tasks to complete
- Reviewers work concurrently, not sequentially.
- Workflows can optionally move forward if 3rd party agencies don't respond by policy set due date
- The software auto assembles all review comments, and it records all applicant communication and responses across each cycle as one single review list for all to view. Applicants can review and respond to these comments online or offline in Microsoft Excel
- Automation efficiency – managing review comments, file stamping, digital signature verification, group assignments, and verifying markup corrections as to new versions
- Full process analytics and dashboards providing insight, transparency, and applicant/jurisdictional accountability



Quote Delivered To

Andrew Firestine
 201 North Broadway
 Escondido, CA
 92025

Development Services Director
 afirestine@escondido.org

City of Escondido, CA
 (760) 839-4671

Date of Quote: 2/28/2023

Quote Valid Until: 3/31/2023

ProjectDox ePlan Solution Pricing Agreement

SAAS

Product Name	Product Code	Description	Qty	Unit Price		Total Price
Test Environment Light-Level Capacity ProjectDox SaaS License	SAAS.PDO X-T.L	<p>Software as a Service (SaaS) for ProjectDox on a Test Environment. Designed for organizations who plan to use the system for development and/or testing with approximately 5 concurrent users and approximately 500 permits per year.</p> <p>Software included for Production:</p> <ul style="list-style-type: none"> • ProjectDox Software Subscription • Unlimited Workflow license <p>Services included for SaaS Production:</p> <ul style="list-style-type: none"> • Set up and installation of ProjectDox • Managed services • Annual ProjectDox upgrades <p>Test Environment Safeguard: Avolve security policy limits access to the Test environment. External users including the customer's IT can be provided limited VPN access to the Test servers and database such as creation and testing of custom reports. VPN access will be made available upon request at additional cost.</p>	12	\$980.00		\$11,760.00
Production Environment Light-Level Capacity ProjectDox SaaS License	SAAS.PDO X-P.L	<p>Software as a Service (SaaS) for ProjectDox on a Production Environment. Designed for organizations who have approximately 75 concurrent users and 3,000 permits per year.</p> <p>Software included for SaaS Production:</p> <ul style="list-style-type: none"> • ProjectDox Software Subscription 	12	\$6,000.00		\$72,000.00



		<ul style="list-style-type: none"> • Unlimited Workflow license <p>Services included for SaaS Production:</p> <ul style="list-style-type: none"> • Set up and installation of ProjectDox • Managed services • Annual ProjectDox upgrades -Technical Support <p>Production Environment Safeguard: Avolve security policy limits access to the Production environment. External users including the customer's IT will not be allowed direct access to the Production servers and database. Any development or testing can be performed on the Test environment.</p>				
SaaS Cityworks Integration	SaaS-CW.Int	<p>Avolve and Cityworks SaaS integration with ProjectDox and Cityworks Permit Licensing and Land (PLL)</p> <p>Integration includes:</p> <p>PLL with ProjectDox:</p> <ul style="list-style-type: none"> - Create Projects - Get Permit Info - Get Contact Info - Get Default Reviews - Add/Remove Plan Reviews - Update Plan Reviews <p>Get Fee Balances</p> <ul style="list-style-type: none"> - Update Project Status Approved 	1	\$6,000.00		\$6,000.00
TES-Video License Subscription	TES-VLS	TES-Video License Subscription	1	\$5,400.00		\$5,400.00
YEAR 1 SaaS Cost Reduction						-\$16,680.00
SaaS Total:						\$78,480.00

TRAINING

Product Name	Product Code	Description	Qty	Unit Price		Total Price
Introduction to ProjectDox	TES-INTRO	The Training and Educational Services course includes a flexible mixture of lecture and hands-on lab time to familiarize the user with the basic features of ProjectDox. This 3 hour instructor lead course will review how to access a project, view a file, use the search feature and communication tools to efficiently	4	\$1,125.00		\$4,500.00



		use and communicate using the ProjectDox application. This course is limited to a max of 12 persons per session/course.				
Workflow & Project Administration for Coordinators/Admins	TES-WF.PA.CA	Instructor led lecture, demonstration, and hands-on activity to teach coordinating and administrative staff the e-plan review process using ProjectDox, ProjectFlow eForms and associated administrative tools. Course participation is estimated at 6 hours	3	\$3,575.00		\$10,725.00
Workflow & Markup Training for Reviewers	TES-WF.MU.R	Instructor led lecture, demonstration, and hands-on activity to learn the workflow review process and Viewer tools and features. Course participation is estimated at 6 hours.	4	\$3,350.00		\$13,400.00
ProjectDox Bundled Training Services	PKG-PDOX.TRN	Package Includes: 2 Introduction to ProjectDox 1 Workflow and Markup Training for Reviewers 1 Workflow and Project Administration for Coordinators 1 System Administration Training 1 Community Training Package is limited to 12 Unique Users	1	\$13,050.00		\$13,050.00
Training Sub-Total:						\$41,675.00

PROFESSIONAL SERVICES

Product Name	Product Code	Description	Qty	Unit Price		Total Price
SaaS Cityworks Integration Services	PS-225	Avolve configuration services to implement the SaaS Cityworks integration subscription.	8 hrs	\$1,800.00		\$1,800.00
Best-in-Class Level 1 ProjectFlow PLUS Services	PS-225	BIC Plus Setup Services Level 1 for Workflows: Building	136 hrs	\$30,600.00		\$30,600.00
Best-in-Class Level 1 ProjectFlow PLUS Services	PS-225	BIC Plus Setup Services Level 1 for Workflows: Planning	136 hrs	\$30,600.00		\$30,600.00
Best-in-Class Level 2 ProjectFlow CORE Services	PS-225	BIC Core Setup Services Level 2 for Workflows: Fire	50 hrs	\$11,250.00		\$11,250.00
Best-in-Class Level 1 ProjectFlow CORE Services	PS-225	BIC Core Setup Services Level 1 for Workflows: Engineering	70 hrs	\$15,750.00		\$15,750.00
**Professional Services Discount						-\$9,000.00
Professional Services Sub-Total:						\$81,000.00



<p>Unless otherwise stated, pricing does not include any applicable taxes that may be applied at invoicing. Travel and Expenses are not included in this total and will be invoiced as incurred.</p> <p>First year SaaS shall be invoiced upon execution of Agreement. Payment for the total amount is due net thirty (30) days from the date of Initial Invoice. Payment via EFT. See notes for details.</p> <p>Customer will be invoiced each month for the number of Professional Services hours at the hourly rate (\$202.50) consumed during the previous month. A short description of each time entry and a time tracking spreadsheet will accompany the invoice each month including the number of hours remaining in the project budget.</p> <p>Additional Professional Services hours beyond what is provided for in this proposal will be billed at an hourly rate of \$225. This rate is locked for 18 months post go live.</p> <p>Year 1 SaaS: \$78,480 Year 2 SaaS: \$82,650 Year 3 SaaS: \$95,160</p> <p>Training: Escondido may purchase additional training classes at the rate listed in the Training section above. Rates will be locked for 18 months post go live.</p>	<p>Grand Total:</p>	<p>\$201,155</p>
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Additional Pricing Information (not in scope) - the information below is for Avolve Entry-Level SaaS

<p>Production Environment Entry-Level Capacity ProjectDox SaaS License</p>	<p>SAAS.PDOX -P.E</p>	<p>Software as a Service (SaaS) for ProjectDox on a Production Environment. Designed for organizations who have approximately 100 concurrent users and 7,000 plan checks per year.</p> <p>Software included for Production:</p> <ul style="list-style-type: none"> • ProjectDox Software Subscription • Unlimited Workflow license <p>Services included for SaaS Production:</p> <ul style="list-style-type: none"> • Set up and installation of ProjectDox • Managed services • Annual ProjectDox upgrades <p>Production Environment Safeguard: Avolve security policy limits access to the Production environment. External users including the customer's IT will not be allowed direct access to the Production servers and database. Any development or testing can be performed on the Test environment.</p>	<p>12.00</p>	<p>\$9,000.00</p>		<p>\$108,000.00</p>
<p>Test Environment Entry-Level Capacity ProjectDox SaaS License</p>	<p>SAAS.PDOX -T.E</p>	<p>Software as a Service (SaaS) for ProjectDox on a Test Environment with. Designed for organizations who plan to use the system for development and/or testing with approximately 10 concurrent users and approximately 2,000 permits per year.</p> <p>Software included for Test:</p> <ul style="list-style-type: none"> • ProjectDox Software Subscription • Unlimited Workflow license <p>Services included for SaaS Test:</p> <ul style="list-style-type: none"> • Set up and installation of ProjectDox • Managed services • Annual ProjectDox upgrades • Technical Support <p>Test Environment Safeguard: Avolve security policy limits access to the Test environment. External users including the customer's IT can be provided limited VPN access to the Test servers and database such as creation and testing of custom reports. VPN access will be made available upon request at an additional cost.</p>	<p>12.00</p>	<p>\$2,000.00</p>		<p>\$24,000.00</p>



ProjectDox

Electronic Document Management & Collaboration Solution

City of Escondido
Exhibit 2: Proposed Statement of Work
February 28, 2023



21001 N Tatum Blvd, Ste 1630-503, Phoenix, Arizona 85050



EXECUTIVE SUMMARY

This Statement of Work will focus on SaaS (Software as a Service) of a Production and Test Environment and the implementation of ProjectDox Best in Class workflows addressing the Customer's needs for Four (4) Best in Class plan review processes. The goal is to implement ProjectDox and a Cityworks permitting system integration for ProjectDox utilizing web services, in a standardized, off the shelf manner. We will leverage Avolve best practices and built-in configuration and modifications features, to meet the most effective functionality required to achieve the highest business value for the customer (the "Project").

SCOPE OF WORK

PHASE 1 SETUP

The project kickoff will be scheduled between Avolve Software and the customer to start the project and the setup of the Production SaaS environment including installation of the below purchased workflows. Additional activities will include the development and acceptance of the project plan and identification of one 30-minute weekly status calls to occur each week over this 31-week project. Additional environments (Test) will be factored into the project plan and implemented based on the sales order/agreement.

- System Setup
- Video Subscription Enabled

PHASE 2 CONFIGURATION & INTEGRATION

The Avolve project manager will work with the Customer to schedule configuration workshop sessions with the Customer project team to complete the Configuration Worksheet and complete the base setup using standard templates and design to expedite the project while providing the best business value for the below workflows. This includes three (3) 2-hour sessions to cover each workflow. Any design requirements identified during this phase outside of the design of the BIC workflow process and/or requiring development will be scoped and presented in a separate Statement of Work or Change Order.

- Building
- Planning
- Engineering
- Fire

The Integration Configuration section of the Configuration Worksheet that will be reviewed with the Customer project team and used to acquire the required data and API (Application Program Interface) connection/credential information to complete the defined integration. This includes two (2) 2-hour sessions.

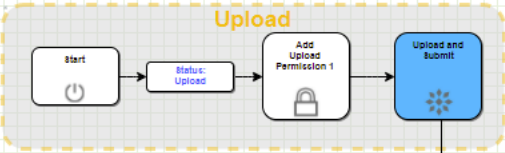
Integration between ProjectDox and Cityworks requires the Cityworks permitting system to have the required API's/web services to facilitate the communication. If APIs are not currently present and functional, the Customer will need to provide the resources to develop and test any new required services and Avolve will assist in testing. Any additional integration points other than what is described below would be considered additional scope and would require additional professional services (assurance services) to cover design, development, and testing. Direct database calls are not supported. Below is a description of the integration and visual reference of the integration touchpoints denoted by a gear icon are found in the below workflow diagram.



- Cityworks permitting system integration includes:
 - Project Creation – calls the project creation API services in the associated permitting system to create a new permit
 - Get Permit Information– calls the API services to retrieve defined permit information from permitting system, i.e., building details, zoning type, square footage, etc. Information available varies per permitting system.
 - Get Contact Information– calls the API services to retrieve defined contacts and associated information, i.e., applicant name, address, phone, contractor name, address, phone, etc. Information available varies per permitting system.
 - Get Default Reviews – calls the API services to retrieve the predefined setup of review groups to be assigned during the Assign Reviewers task in ProjectDox. These groups are then automatically selected (checked) in the Assign Reviewers eForm.
 - Add/Remove Plan Reviews – as plan reviews (Department Review) are assigned or unassigned, this is posted to the permitting system by adding/deleting/de-activating the associated reviews.
 - Update Plan Reviews – Push of data to provide the permitting system with the following data related to the plan review:
 - Reviewer Name
 - Reviewer Department
 - Review Cycle
 - Review Status (Approved, Rejected, Waived, Canceled)
 - Date Completed
 - Get Fee Balance - calls the API services to retrieve any fee balance. Some permitting systems APIs (Application Program Interface) can also supply details of fees due, but most only provide a current balance.
 - Update Project Status Approved – Push final status or log event of approved to permitting system API indicating to the permitting system that all reviews are approved in ProjectDox.



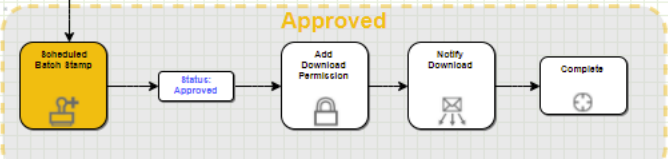
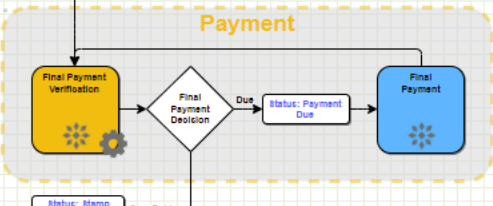
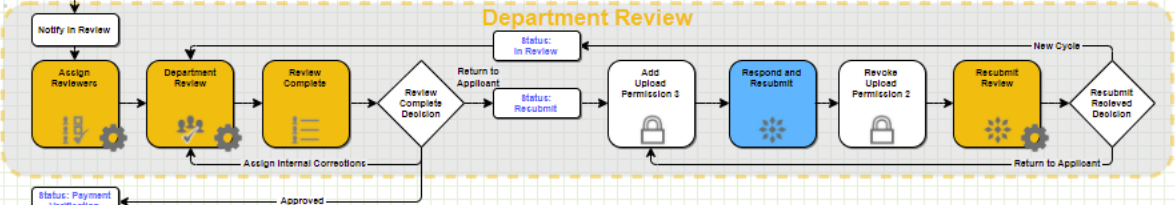
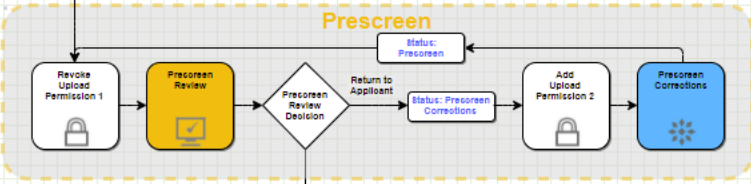
Best-In-Class Building Workflow

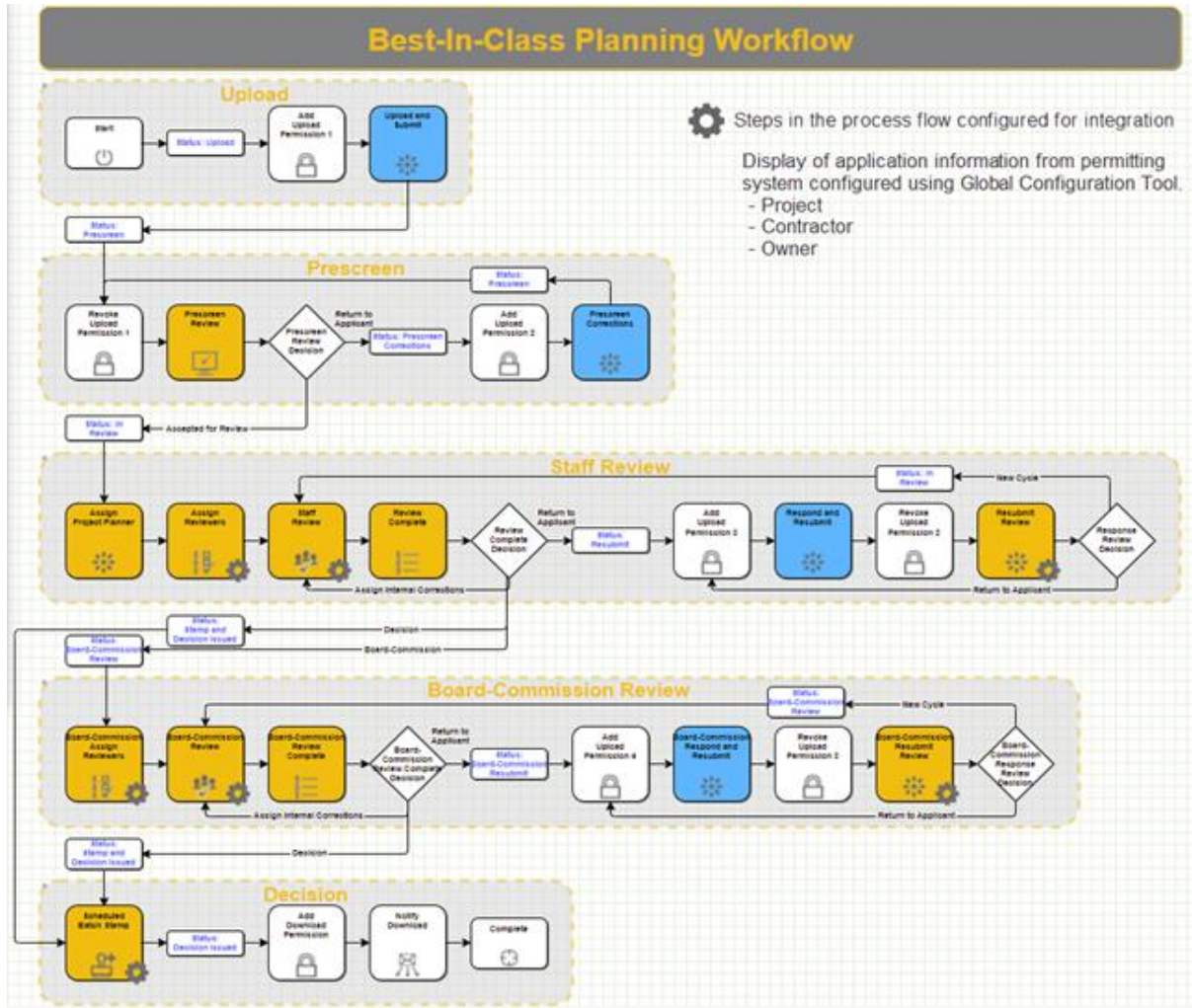


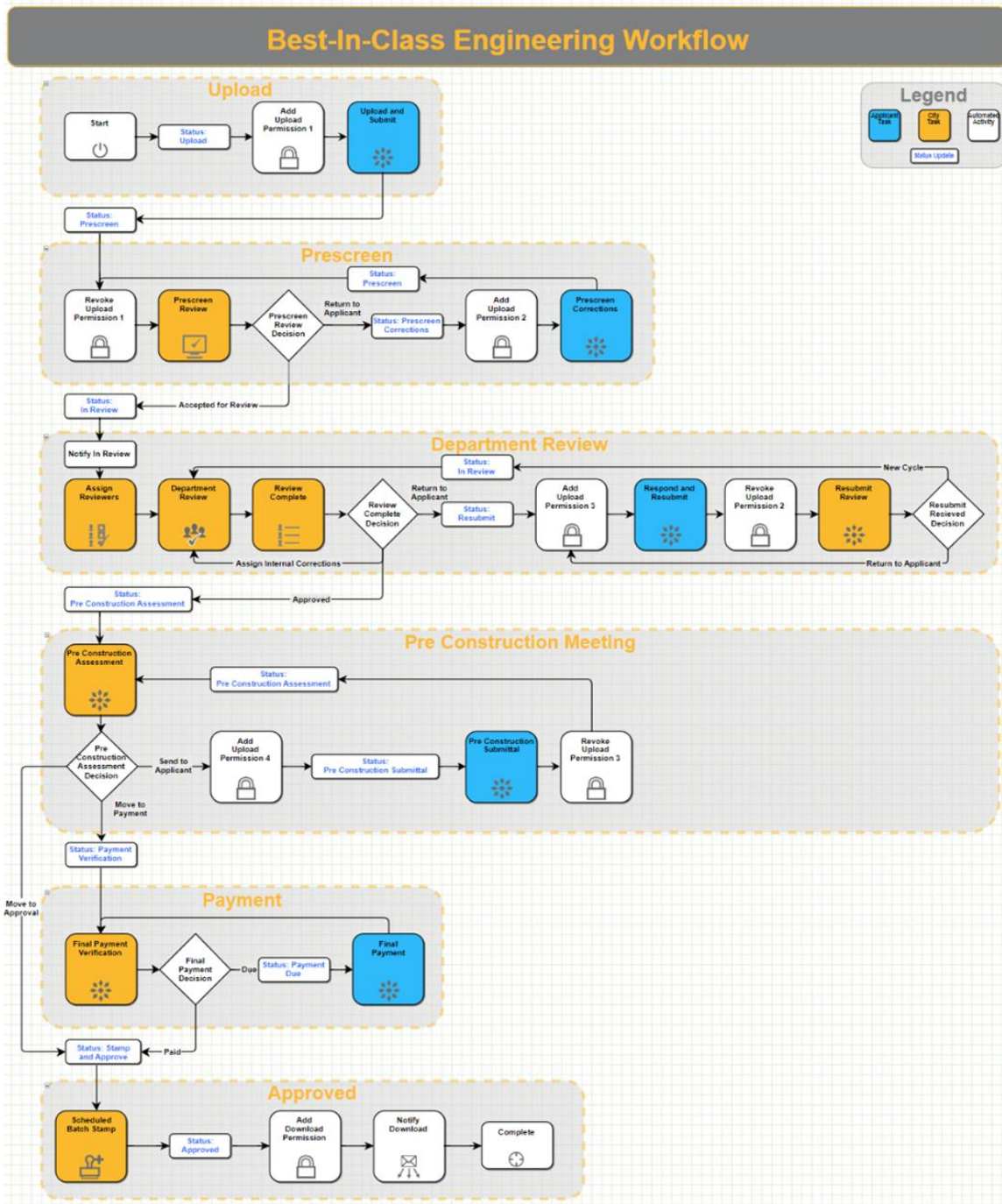
Steps in the process flow configured for integration

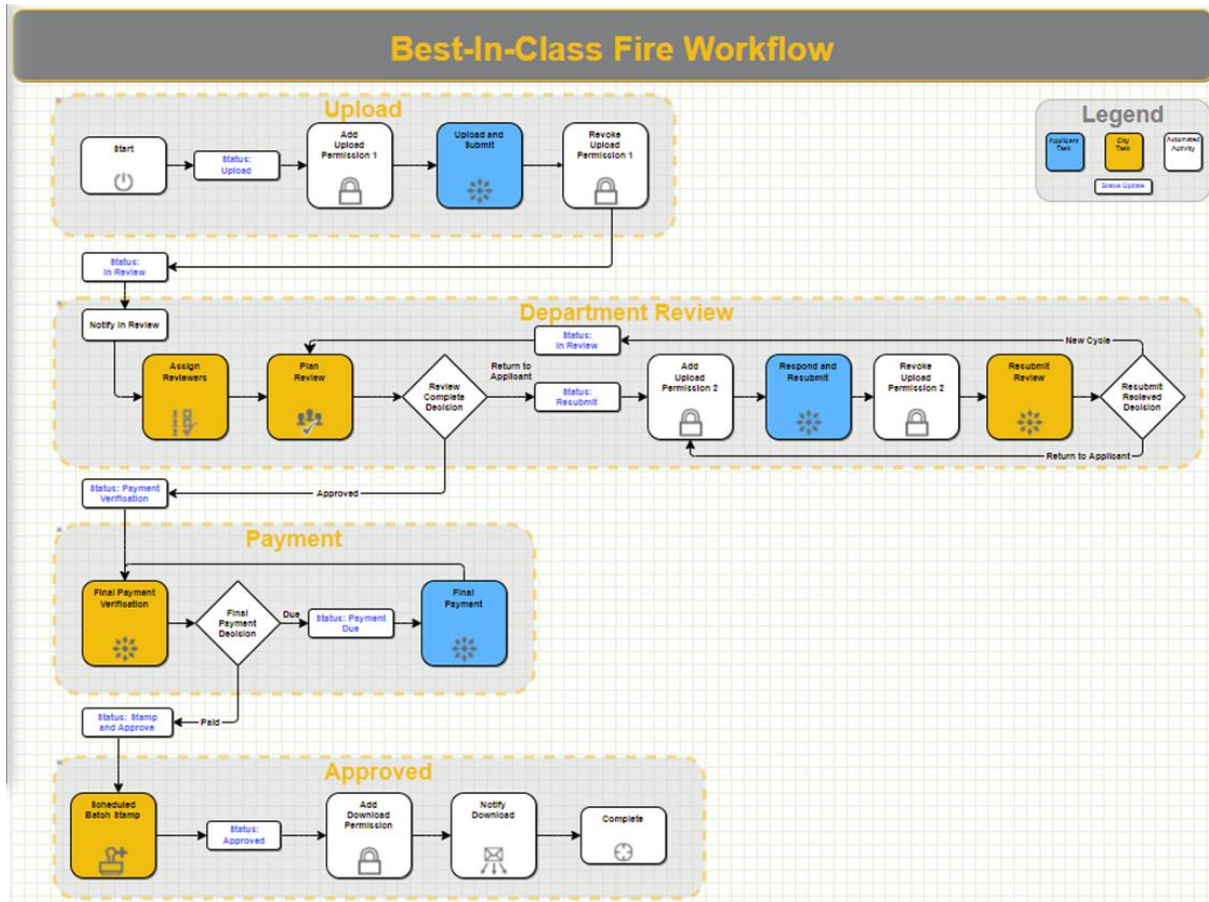
Display of application information from permitting system configured using Global Configuration Tool.

- Project
- Contractor
- Owner









PHASE 3 PROJECT TEAM TRAINING

The Avolve training team will schedule a training session to educate the project team on the key concepts and features of the application and workflow to provide knowledge on how to begin unit testing of the workflow(s). This course will include basic navigation of the system, creating and editing annotations on plans and how this relates to the roles within the application and workflow for plan review. All courses are limited to 12 persons per course session maximum.

PHASE 4 ACCEPTANCE TESTING

Integration Unit Testing (IUT)

The Integration Unit testing phase is conducted over a 10-business day per period that includes the delivery of the designed process, validation of the design by the Customer and resolution to design issues by Avolve before starting the next sprint. The Avolve team will provide guidance to the Customer on methods to test the designed process and system meeting with the customer to work towards acceptance of the designed integrated product. Customer will validate the integration and document any identified issues in the Tracking Log document provided by the Avolve project manager. Avolve will resolve any identified issues to allow the customer retest to gain acceptance.



End to End User Acceptance Testing

The Avolve project manager will meet with the Customer to assist in the review and issue resolution for the functional end-to-end system. This phase is conducted over a 10-business day period and will allow the Customer to test and validate the full design of the system and the designed workflow(s). Any identified issues shall be added to the Tracking Log document provided by the Avolve project manager. Avolve will resolve any identified in scope issues to allow the customer to retest to gain acceptance.

Completion and acceptance of the testing will initiate the promotion of the code from the Production system to the Test system to prepare for go-live training.

- Setup of Test Environment
- Code Promotion from Production to Test

PHASE 5 TRAINING

Avolve education specialists will deliver the courses below to the Jurisdictions staff. The courses will train 60 persons and will be delivered based on the project plan rollout. A maximum of 12 persons per course is enforced except for the Community Outreach (TES-OUT). This demonstration/lecture session is targeted for the design community and is intended to be conducted for larger audiences (25+) to educate and promote the new processes.

It is recommended that training sessions be organized with participants of similar technological abilities to allow for the most efficient delivery and retention of the materials. Additional training beyond the courses below may be added, or additional training may be performed post-go-live by leveraging the assurance services funds afforded by the project.

- Delivery of classes for all products/modules as purchased

Quantity	Total # of Users	Class Size	Course Name	Est Length	Target Audience
1	12	12	Project Team Training	5 hrs.	Jurisdiction Project Team involved in UAT Testing
6	72	12	Introduction to ProjectDox	3 hrs.	Plan Reviewer, Intake/Permit Technicians, Project Coordinators, Administrators
5	60	12	Workflow & Markup Training for Plan Reviewers	6 hrs.	Plan Review Staff
4	48	12	Workflow Coordination and Project Administration	6 hrs.	Intake/Permit Technician Staff, Project Planners, Day-to-Day Supervisors/Administrators
1	12	12	System Administration	4 hrs.	Business Power Users, IT (Information Technology)
1	25+	25+	Community Outreach	2 hrs.	Public/Customers



PHASE 6 GO LIVE/LAUNCH

The Avolve project manager will assist the customer with any product related errors or questions regarding the software for a period of 30 days post go-live. After the 30 day go-live period the project will be considered complete, and the customer shall be introduced and transitioned to the Avolve support team. The extension of support from the project manager can be extended with the purchase of post go live subscription services program.

- Go-Live
- Transition to Support

CLIENT SUCCESS SERVICES SUBSCRIPTION

Service may be used at any time during the project to assist with additional scope identified during the project. The subscription term is initiated post the initial systems Go-Live to provide continued support by your Avolve project team to ensure seamless adoption and change management for the newly added process and system. Subscription hours consumed are reported monthly to the Customer and may not exceed the hours of the subscription. Hours not consumed at the end of the subscription period will be forfeited.

ACCEPTANCE PROCESS

There will be Key Deliverables within the identified phases of the project as identified in the Project Activities/Deliverables Schedule which will be subject to acceptance by the Customer ("Acceptance"). Upon completion of each Key Deliverable, Avolve will request from the Customer a written response/acceptance within five (5) business days after receipt thereof. Notwithstanding the foregoing or anything to the contrary in the Purchase Agreement, all other Deliverables provided under this Statement of Work shall be deemed to have been accepted by the Customer upon delivery. If Customer does not approve, reasons for rejection must be clearly noted. Avolve will then work with the Customer to come to agreement on obtaining approval. The Customer shall be deemed to accept any such Key Deliverable which the Customer does not accept or reject within such period. This acceptance will initiate the invoice of the milestone, if applicable.

AVOLVE PROJECT PLAN AND PROCESS

Promptly following execution of this Statement of Work, the parties shall meet to discuss the general project schedule, which will be organized around the standard Avolve project On-Boarding process. Within 2 weeks, the initial project plan will be created and sent to the Customer. The Project Plan contains a schedule, a list of tasks in a schedule format, assignments of specific team members over specific times and communication status reporting processes. The Project Plan is a living document that will be reviewed throughout the term of this Agreement and may be adjusted as reasonably necessary, as agreed to from time to time by the parties involved.

PROJECT ASSUMPTIONS AND CAVEATS

1. This Project was scoped based upon purchase of ProjectDox Best In Class, understanding that the site will be hosted by Avolve and configured per established Best-In-Class standards. This understanding forms the basis



for Avolve's pricing and the Deliverables to be provided under this Statement of Work. Any deviation from these requirements will require a change order and may increase costs or the estimated time of Project completion.

2. Avolve will have full access to the project team upon approval of the Project Manager, through the customer's project management program (Teamwork). Customer and Avolve agree that updating Teamwork will be the responsibility of customer. This access may require the team members of the customer to dedicate specific time to specific detailed tasks within the Project Plan. Team member tasks will be more clearly defined during the kickoff and planning sessions and documented in the Project Plan. The Avolve PM will work with the customer's project manager on the scheduling of meetings and requirements gathering sessions with the City.
3. Customer and its third parties and/or subcontractors will fulfill any hardware/software requirements, including the purchase/development of APIs (Application Program Interface) for integration to allow for communication between Avolve Software and the Customer's permitting system in a timely fashion to keep the Project Plan on schedule.
4. This best approach package to implementation relies on partnership with the jurisdiction to achieve desired go-live goals. To that end, a not to exceed of 400 hours have been allocated to the project for professional service. Should the customer cause or contribute to the delay of any Deliverable, extend scope of schedule and/or scope of work incremental costs may be associated and may result in compilation of a formal Change Order to denote said changes.
5. Cancellation or rescheduling requests within 72 hours of an upgrade and/or training date may result in a 20% cancellation fee. The 20% fee will be calculated on the total services for the project minus any Assurance Services.
6. All parties will reasonably prioritize their efforts to meet the Project Plan schedule in order to achieve a rapid roll out model. It is understood by all parties that multiple tasks may be in process at one time and Avolve may have more than one Professional Services team member working on the project at one time.
7. Client will provide adequate Project management for their own resources, and/or third parties, to collaborate with Avolve's project manager. Client subject matter experts and applicable users will be accessible and available in a timely fashion and for adequate and reasonable durations. Avolve will make sure that scheduling of meetings is done in advance of these resource allocations.
8. Avolve has scoped and intends to fully leverage ProjectDox as is, utilizing all built in configuration features to set up the processes using the Configuration Worksheet as a guide to meet business needs.
9. Any optional items chosen in the Purchase Agreement/Sales Order are not included here and would require a modification to this Statement of Work.
10. Customer understands that an ePlan Life Cycle implementation is a significant digital transformation enterprise project that requires dedicated change management from the Customer's staff. This will be key for the success of the Customer.
11. Work will not begin until an executed copy of all paperwork is complete. Work will begin at the earliest date at which Avolve resources and Customer resources are available or as otherwise agreed to.



12. Avolve and Customer agree to cooperate in good faith to complete the Services and Deliverables in a timely and efficient manner.
13. Recording of Avolve provided training or UAT (user acceptance testing) sessions is not permitted unless noted within the Statement of Work.
14. All training classes, unless otherwise noted, are limited to 13 persons maximum per class unless noted otherwise in this SOW.
15. In the event the Customer delays the progression of the implementation and Avolve Software resources are placed on-hold and/or removed from the project, all hours that have been completed to that point will be invoiced. Avolve Software will not guarantee Project Managers and/or Technical Avolve resources will be available to re-deploy immediately upon resolution of the issue. Avolve requires 4 weeks' notice of intent to restart the project, to assess available resources to determine the next available timeframe and communicate any restart costs to restart the project.

**Configuration options are as described by ProjectDox documentation and as evidenced by ProjectDox administration screens. Minor changes to Avolve ProjectDox Best Practices (Best in Class) workflows are changes to activate/deactivate and/or parametrize with variables, existing steps in the Best Practices workflows. Customization of additional products and modules are to be within the bounds and scope of the respective core product(s) and modifications are limited to those that are allowed by core product design.*

CHANGE CONTROL PROCESS

The "Change Control Process" is that process which shall govern changes to the scope of the Project during the life of the Project. The Change Control Process will apply to new components and to enhancements of existing components. The Change Control Process will commence at the start of the Project and will continue throughout the Project's duration. Additional procedures and responsibilities may be outlined by the Project Manager identified on the signature page to the Agreement and will be included in the Project Plan if mutually accepted.

Under the Change Control Process, a written "Change Request" (attached) will be the vehicle for communicating any desired changes to the Project. It will describe the proposed change; the reason for the change and the effect the change may have on the Project. The Project Manager of the requesting party will submit a written Change Request to the Project Manager for the other parties.

All parties must sign the approval portion of the Change Request to authorize the implementation of any change that affects the Project's scope, schedule or price. Furthermore, any such changes that affect the scope of this SOW, schedule or price will require an amendment to the SOW and/or any other part of the Purchase Agreement.

PRICING, TRAVEL AND EXPENSE

Pricing and payment terms are as set forth in the Purchase Agreement/Sales Order.

- Professional Service hours will be invoiced monthly as time and materials based on the rate for the applicable resources. Avolve will provide monthly balances for hours remaining for the project.
- Training will be invoiced as courses are completed at the identified fixed price provided in the Purchase Agreement/Sales Order.
- Travel and Expenses are estimated to be \$12,500.00 and will be invoiced to customer as incurred for trips to the Customer offices. Customer will only be invoiced for actual expenses incurred.



PROJECT ACTIVITIES / DELIVERABLES PAYMENT SCHEDULE

Preliminary project and deliverable schedules are provided and are subject to change based on discussions to occur post the kick-off of the project, provided that both the Customer and Avolve Software agree to the updated terms in writing. The project scope and associated costs are based on a 31-week implementation schedule.

31 WEEK SCHEDULE, BEGINNING APRIL 3

Schedule	Deliverable
Week 1 – Kick Off	<ul style="list-style-type: none"> Project Kick Off Meeting Project Plan
Week 2 – System Setup	<ul style="list-style-type: none"> ProjectDox system delivered for use
Week 3-5 – Configuration Sessions (Building & Planning)	<ul style="list-style-type: none"> Configuration Workshops Integration Workshops
Week 6-8– Configuration Sessions (Engineering & Fire)	<ul style="list-style-type: none"> Configuration Workshops Integration Workshops
Week 9-11 – Customer Configuration Worksheet Completion	
Week 12-14 – Customer Configuration Worksheet Completion	
Week 15-16– Configuration (Building/Planning)	
Week 17-18 – Configuration (Engineering/Fire)	
Week 19 – Integration Configuration	<ul style="list-style-type: none"> Deliver Functional System
Week 20 – Project Team Training	<ul style="list-style-type: none"> Scheduled Project Team Training Course Applicant, Reviewer and Coordinator Quick Reference Guides
Week 21-23 – User Acceptance Integration Unit Testing (Building/Planning)	



Week 21-23 – User Acceptance Integration Unit Testing (Engineering/Fire)	
Week 24-27 – User Acceptance Workflow Testing (Building/Planning)	<ul style="list-style-type: none"> • Provide final system configuration worksheet Provide final Configuration Requirements Document or CRD
Week 24-27 – User Acceptance Workflow Testing (Engineering/Fire)	<ul style="list-style-type: none"> • Provide final system configuration worksheet • Provide final Configuration Requirements Document or CRD
Week 28 – Test Environment Setup	<ul style="list-style-type: none"> • Functional Test Environment
Week 29-30 – Go Live Training	<ul style="list-style-type: none"> • Go Live Training as identified in the SOW
Week 31 – Go Live (Building, Planning, Engineering, Fire)	<ul style="list-style-type: none"> • Launch of System • Launch of Building & Planning Workflows

	Client Success Services	<ul style="list-style-type: none"> • Subscription is initiated post the initial system Go Live 30-business day period. Subscription is for 48 hours over the term of 6 months. 	Sign Off Client Success Services Subscription
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For the avoidance of any doubt, all right, title and interest in and to the Deliverables (including without limitation the above Key Deliverables), as well as the intellectual property rights to such Deliverables, shall belong to Avolve, subject to the limited license granted to the Customer pursuant to the Licensing Agreement.



STATEMENT OF WORK ACCEPTANCE

Once fully executed, this document will become the Statement of Work for the Project defined in this document. Avolve and Customer's signatures below authorizes Avolve to begin the services described above and indicates Customer's agreement to pay the invoices associated with these services delivered as described.

AUTHORIZED SIGNATURES

Avolve Software Corporation


City of Escondido, CA

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____



EXHIBIT A: CHANGE REQUEST FORM

		Avolve Software Change Request Form <i>City of Somewhere</i>	
/			
GENERAL INFORMATION			
Change Request # (CR)			
Project/City/County			
Requestor Name			
Description of Change	<i>[Enter a detailed description of the change being requested]</i>		
Date Submitted			
Priority	<input type="checkbox"/> Low	<input type="checkbox"/> Medium	<input type="checkbox"/> High <input type="checkbox"/> Required
Reason for Change Request	<i>[Enter a detailed description of why the change is being requested]</i>		
Project Artifacts Impacted	<i>[List other artifacts affected by this change]</i>		
Assumptions/Risks	<i>[Document assumptions or comments regarding the requested change]</i>		
Comments/Considerations	<i>[Enter additional comments]</i>		
Attachments/References			
ESTIMATES			
Total Estimated Development Hours	<i>[#hrs]</i>	<i>[Enter the hour impact of the requested change]</i>	
Total Estimated Development Duration	<i>[#dys]</i>	<i>[Enter the duration impact of the requested change]</i>	
Schedule Impact	<i>[WBS]</i>	<i>[Detail the impact this change may have on schedules]</i>	
Cost Impact	<i>[Cost]</i>	<i>[Detail the impact this change may have on cost]</i>	
Comments/Recommendations			
PM Approval Signature			
Date Signed			
IDS Approval Signature			
Date Signed			
CITY OF SOMEWHERE AUTHORIZATION			
Customer Approval Signature			
Date Signed			
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