

FARRAGUT™

SOFTWARE MAINTENANCE AND SUPPORT AGREEMENT FOR NCPTS

THIS SOFTWARE MAINTENANCE AND SUPPORT AGREEMENT FOR NCPTS (“**Agreement**”) is hereby made and entered into as of May 1, 2019 (the “Effective Date”) by and between **FARRAGUT SYSTEMS, INC.**, a North Carolina corporation having a place of business at 2775 Meridian Parkway, Durham, North Carolina, 27713, (“**FARRAGUT**”), and **GUILFORD COUNTY** (“**COUNTY**”), a governmental agency with a mailing address of its executive offices at 301 West Market Street, Greensboro, NC, 27401, and collectively referred to as the “Parties.”

In consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Background.**

1.1. The COUNTY has acquired a license to certain software known as NCPTS from NCACC pursuant to the Property Tax Software License Agreement between NCACC and COUNTY (the “**License Agreement**”). The specific software version(s) acquired by COUNTY and supported under this Agreement (“**Software**”) is specified in Exhibit A hereto.

1.2. COUNTY desires to retain FARRAGUT to provide support and maintenance services for the Software (“**Services**”), and FARRAGUT desires to provide such services to the COUNTY, in accordance with the terms of this Agreement.

2. **Definitions.** In addition to the definitions in the License Agreement, FARRAGUT and COUNTY agree to the following definitions.

2.1. “**Error**” means a failure of the Software to perform in accordance with its published documentation.

2.2. “**Hot Fix**” means a software patch that resolves a Critical Severity issue and is delivered prior to the normal System Release.

2.3. An “**Issue**” shall mean a reported Error or other request for assistance under this Agreement to be tracked for completion within the scope of this Agreement.

2.4. A “**Severity Level**” shall mean the level of importance for all Issues as reasonably established by the COUNTY. The Severity Level designations shall consist of the following:

(a) “**Critical Severity**” Error means an Error that materially impedes the operation of the entire Software or major portions of the COUNTY’s business operation, and a workaround is not available;

(b) “**Major Severity**” Error means an Error that causes a substantial impact on a major business process; however a workaround is available or the function can be completed on a limited basis;

(c) “**Minor Severity**” Issue means an Error that causes a minor impact on a business process or a requested enhancement.

2.5. A “**System Release**” shall include Error corrections and may include functional, processing, and/or cosmetic enhancements. System Releases shall be delivered based upon a mutually agreed schedule.

2.6. “**Acknowledgement Time**” is the elapsed time from COUNTY’s reporting of an Issue until FARRAGUT’s acknowledgement of receipt of the reported Issue.

2.7. “**Resolution Time**” is the elapsed time from COUNTY’s submission of an Issue and delivery of associated information until either (1) FARRAGUT delivers a fix or reasonable workaround for the reported Error, or supplies the requested information for Issues not involving Errors, or (2) in the event such delivery is not reasonably feasible, FARRAGUT delivers a plan/schedule for the support.

2.8. “**Release Acceptability**” is a quality measurement for a System Release, defined as the total number of Issues addressed in such System Release without a reported defect within 30 days of delivery, divided by the total number of Issues that are purported to be addressed by such System Release. For example, if 90 Issues are closed without defect (10 defects are reported) out of a total of 100 Issues delivered in a Support Release, the Release Acceptability is $90/100 = 90\%$.

3. **Services.** FARRAGUT shall provide the support and maintenance services specified in **Exhibit A** hereto.

4. **Fees.**

4.1. **Standard Fees.** The COUNTY will pay FARRAGUT the standard annual fee for maintenance of the Software for the term of this Agreement as stated herein and as set out in **Exhibit A**. Any fees due under this Agreement shall be paid within thirty (30) days after receipt of a correct invoice. The COUNTY shall pay FARRAGUT at its office in Durham, North Carolina, or to such other location as is designated by FARRAGUT by written notice to CUSTOMER. Unless otherwise expressly set forth in this Agreement. All fees paid or due hereunder by CUSTOMER are non-refundable. If any payments are past due, FARRAGUT may, without waiving any other available rights or remedies, (a) suspend performance under any or all of this Agreement until payments are current, and/or (b) seek collection of all amounts due.

4.2. **Fees for Annual Extension(s) of Contract Term.** This Agreement will commence on the Effective Date set forth above the Parties’ signatures and will continue in full force and effect for a three (3) year term, unless otherwise terminated as provided herein. After the initial three (3) year term, this Agreement may be extended for additional consecutive one (1) year terms by execution of a Contract Amendment by the Parties. The Parties should begin the process to extend the Contract term by entering into a Contract Extension document within ninety (90) days prior to the expiration of the applicable Contract term. Pricing for one (1) year extensions may remain the same, but

shall not be increased more than three percent (3%) for each consecutive one (1) year term. Fees shall be payable in advance prior to the start of such one (1) year renewal term, provided that in no event shall the maintenance fee increase by a cumulative amount of more than three percent (3%) per renewal year (unless the COUNTY has acquired additional Software modules or has increased its number of real property parcels into a higher tier, as described in **Exhibit A**). Annual fees may be invoiced thirty (30) days prior to the expiration of the previous term.

4.3. Travel. In the rare instance where on-site support of FARRAGUT is requested by the COUNTY, a one-time, reasonable travel charge may be made by FARRAGUT. Invoices, receipts, or other similar back-up documentation for such travel will be provided to the COUNTY in advance and after being approved by the COUNTY, such one-time, reasonable travel charge will be reimbursed to FARRAGUT by the COUNTY by purchase order outside of this Contract amount.

4.4. Reinstatement. COUNTY understands that if COUNTY terminates this Agreement and then wishes at a later date to resume receiving services under this Agreement, COUNTY will be required to pay FARRAGUT the entire maintenance fees for the period of discontinuance plus the maintenance fee for the period then commencing.

4.5. Taxes. COUNTY shall be responsible for payment of all federal, state, local and other taxes (including, but not limited to, sales, use and property taxes) related to this Agreement, excluding any taxes based upon FARRAGUT's income, unless COUNTY is tax exempt and provides a tax certificate of exemptions.

5. Confidentiality.

5.1. "Confidential Information" means any information or data (including without limitation any formula, pattern, compilation, program, device, method, technique, or process) that is disclosed by one Party (a disclosing Party) to the other Party (a receiving Party) pursuant to this Agreement that is identified in writing as confidential or that would reasonably be recognized as confidential. Confidential Information does not include information that: (a) is or becomes publicly known or available without breach of this Agreement; (b) is received by a receiving Party from a third party without breach of any obligation of confidentiality; (c) was previously known by the receiving Party as shown by its written records; or (d) was independently developed by the receiving Party as shown by its written records.

5.2. A receiving Party agrees: (a) to hold the disclosing Party's Confidential Information in strict confidence, subject to law; and (b) to use the disclosing Party's Confidential Information solely in connection with the provision of Services under this Agreement, subject to law. Notwithstanding the foregoing, a receiving Party may disclose Confidential Information of the disclosing Party as required by law or court order; in such event, such Party shall use its best efforts to inform the other Party prior to any such required disclosure.

5.3. Upon the termination or expiration of this Agreement, the receiving Party will return to the disclosing Party all the Confidential Information delivered or disclosed to the receiving Party, together with all copies in existence thereof at any time made by the receiving Party. The provisions of this Section 5 shall survive any termination of this Agreement.

6. Term and Termination.

6.1. Term and Term Extension. This Agreement shall be in effect for an initial term of three (3) years from the Effective Date unless earlier terminated pursuant to this Section 6. After the end of the initial three (3) year term, this Agreement may be extended for additional consecutive one (1) year terms by execution of a Contract Extension document by the Parties. The Parties should begin the process to extend the Contract term by entering into a Contract Extension document within ninety (90) days prior to the expiration of the applicable Contract term. Pricing for one (1) year extensions may remain the same, but shall not be increased more than three percent (3%) for each consecutive one (1) year term. Fees for renewal terms are due as set forth in Section 4.1 above. If the COUNTY does not pay the support fee for a renewal term within thirty (30) days after the date of invoice, then FARRAGUT may in its discretion suspend the delivery of support services or terminate this Agreement.

6.2. The terms provided in Sections 2, 5, 7, 8.1, 8.3, 9 and 10 of this Agreement shall survive any termination of this Agreement. For the avoidance of doubt, the Parties agree that termination of this Agreement shall not result in termination of the License Agreement.

6.3. Termination without Cause. Either Party may terminate this Agreement for any reason and without penalty by giving ninety (90) days written notice of their intent to terminate to the other Party.

6.4. Termination for Cause. If, through any cause, FARRAGUT shall fail to fulfill its obligations under this Contract in a timely and proper manner, the COUNTY shall have the right to terminate this Contract by giving written notice to FARRAGUT and specifying the effective date thereof. In the event, all finished or unfinished deliverable items prepared by FARRAGUT under this Contract shall, at the option of the COUNTY, become its property and FARRAGUT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such materials, minus any payment or compensation previous made. Notwithstanding the foregoing provision, FARRAGUT shall not be relieved of liability to the COUNTY for damages sustained by the COUNTY by virtue of FARRAGUT'S breach of this Agreement, and the COUNTY may withhold any payment due FARRAGUT for the purpose of setoff until such time as the exact amount of damages due the COUNTY from such breach can be determined. In case of default by FARRAGUT, without limiting any other remedies for breach available to it, the COUNTY may procure the contracted services from other sources and hold FARRAGUT responsible for any excess cost occasioned thereby. The filing of a petition for bankruptcy by FARRAGUT shall be an act of default under this Contract.

6.5. Either Party may terminate this Agreement by giving thirty (30) days written notice of termination to the other Party, if the other Party is in default (as defined herein). If default occurs, the Parties will have all remedies provided in this Agreement and otherwise available by statute, law or equity, subject to the other terms of this Agreement. The COUNTY may terminate this Contract without cause by giving thirty (30) days written notice to FARRAGUT. All goods and/or services provided and accepted as of the date of termination will be paid for; similarly, amounts paid in advance, if any, for which goods and/or services have not been provided and accepted

by the COUNTY will be promptly refunded to the COUNTY by FARRAGUT within thirty (30) days of date of termination of this Contract.

6.6. FARRAGUT may terminate its Software Support and other support obligations, if any, under this Agreement, by providing at least ninety (90) days written notice of such termination to the COUNTY, if FARRAGUT determines that any modifications to the Software that are not made by FARRAGUT or the COUNTY'S failure to install a Software Maintenance Release will materially interfere with the provision of Software Support or FARRAGUT'S other obligations.

6.7. Either Party may terminate this Agreement or if the other Party materially breaches this Agreement and such breach is not cured, or an acceptable plan for resolving the breach is not put in place, within thirty (30) days after written notice identifying specifically the basis for such notice.

6.8. Defaults. The following events will be deemed to be defaults:

- a) A Party committing a material breach of any term of this Agreement is such breach has not been cured within thirty (30) days after written notice of such breach has been given by the non-defaulting Party to the defaulting Party.
- b) A Party failing to comply in any material respect with any federal, state or local laws applicable to the Party's performance under this Agreement if such breach has not been cured within thirty (30) days after written notice of such breach has been given by the non-defaulting Party to the defaulting Party.

7. Warranty.

7.1. FARRAGUT represents that it has the requisite knowledge, expertise and experience necessary to perform Services under this Agreement. COUNTY agrees to notify FARRAGUT of any breach of this representation within thirty (30) days after completion of the Services. COUNTY'S sole remedy for breach of this representation shall be for FARRAGUT to perform the Services at issue at no charge to COUNTY.

7.2. COUNTY represents that it has obtained or will obtain prior to FARRAGUT'S commencement of the Services all licenses and consents from third party vendors authorizing access to software and/or technical information owned by such vendors and licensed to COUNTY, as required in order for FARRAGUT to perform the Services.

7.3. Each Party represents that it has received all necessary authority and approvals to enter into this Agreement, and that the negotiation and performance of this Agreement is not in conflict with any other agreement entered into by such Party.

7.4. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, FARRAGUT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTIES ARISING AS A RESULT OF USAGE IN THE TRADE OR BY COURSE OF DEALING. ALL WARRANTIES RELATING TO THE NCPTS SOFTWARE SHALL BE AS SET FORTH IN THE LICENSE AGREEMENT.

8. Indemnification.

FARRAGUT shall operate as an independent contractor for all purposes. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between the COUNTY and either FARRAGUT or any employee or agent of FARRAGUT. FARRAGUT is an independent contractor and not an employee, agent, joint venture or partner of the COUNTY.

The Parties agree to each be solely responsible for their own acts or omissions in the performance of each of their individual duties hereunder, and shall be financially and legally responsible for all liabilities, costs, damages, expenses and attorney fees resulting from, or attributable to, any and all of their individual acts or omissions to the extent allowable by law.

9. Liability. Except as provided in Paragraph No. 8 "Indemnification," all liability arising under or relating to the subject matter of this Agreement, whether under theory of contract, tort (including negligence), or otherwise, shall be limited to direct damages. Neither Party, including its officers, directors, employees, agents, representatives, and subcontractors, shall have any liability to the other Party or to any third party for any incidental, punitive, indirect, special or consequential damages, including but not limited to lost profits, loss of data, cost of recreating lost data, interruption of business, or costs of procurement of substitute goods or services, even if advised of the possibility of such damages, whether under theory of warranty, contract, tort (including negligence), strict liability or otherwise. The aggregate liability of FARRAGUT under this Agreement shall not exceed the total fees paid by COUNTY to FARRAGUT with respect to the annual term at issue.

10. Insurance.

A. FARRAGUT will carry and maintain throughout the period of this Agreement, at FARRAGUT's sole expense, insurance including specifically general liability, and if applicable, worker's compensation insurance, to cover the obligations of FARRAGUT set forth herein, or the acts of FARRAGUT performed hereunder. **FARRAGUT shall procure and maintain liability insurance at the minimum levels:**

- **Workers Compensation:** PROVIDER agrees to maintain coverage to apply to all employees for statutory limited in compliance with the applicable state and federal laws. The policy must include employer's liability with a limit of \$1,000,000 for each accident, \$1,000,000 for each employee, and with a \$1,000,000 aggregate policy limit.
- **Commercial General Liability:** The PROVIDER does hereby agree to maintain minimum limits of \$1,000,000 per occurrence, per location, single limit for bodily injury liability and property damage liability, with a \$2,000,000 aggregate limit, per location. This shall include premises and/or operations, independent contractors, products and/or completed operations, broad form property damage and explosion, collapse and underground damage coverage, and a contractual liability endorsement.

- **Business Auto Policy:** LESSEE does hereby agree to maintain limits of \$1,000,000 per accident combined single limit for bodily injury liability and property damage liability. This shall include: owned vehicles, plus hired and non-owned vehicles.

B. Regarding Certificates of Insurance:

- GUILFORD COUNTY shall be named as an additional insured on FARRAGUT'S general liability insurance policy, which shall be primary and not contributory to any other insurance that may be available to the COUNTY. FARRAGUT will also secure its general liability insurance from an A rated insurance company acceptable to the COUNTY.
- Upon entering into and executing this Agreement, FARRAGUT will provide Certificates of Insurance for meeting the required insurance provisions. Certificates of such insurance shall be furnished by FARRAGUT to the COUNTY within ten (10) business days after execution of this Agreement and shall name GUILFORD COUNTY as an additional insured on FARRAGUT'S general liability insurance policy, which shall be primary and not contributory to any other insurance that may be available to the COUNTY. **The Certificate of Liability shall state, "Guilford County is added as an additional insured as evidenced by the endorsement attached to this Certificate."** FARRAGUT shall also secure its general liability insurance from an A rated insurance company. Such Certificates of Insurance shall require the insurer issuing the underlying policy to provide COUNTY with a minimum of thirty (30) days' notice prior to modification or cancellation of said policy. FARRAGUT agrees that such insurance shall be primary, regardless of any other insurance coverage, which COUNTY may procure for its own benefit.
- Original insurance policies or certified copies of policies may be required by the COUNTY at any time. Current, valid insurance policies meeting the requirements stated herein shall be maintained for the duration of the Agreement. Renewed policies shall be sent thirty (30) days prior to any expiration date.
- The allocations of liability in this Section represent the agreed and bargained-for understanding of the Parties and FARRAGUT's compensation for the Services reflects such allocations.

11. Dispute Resolution.

The Parties agree to attempt to resolve any controversy, claim or dispute ("**Dispute**") arising out of or relating to this Agreement by means of good faith discussion and negotiation. In the event that a Dispute cannot be resolved at the project level, then the Dispute shall be resolved in a Guilford County, North Carolina Court of law. This Agreement shall be interpreted, construed, and governed by the laws of the State of North Carolina, without regard to conflict of law provisions.

12. Affirmative Action – Equal Employment Opportunities.

GUILFORD COUNTY and the awarded Vendor shall comply with Equal Employment Opportunities (EEO) requirements, and to take affirmative action to ensure that all

individuals have an equal opportunity for employment without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, age, disability, genetic information, or veteran status under the Guilford County EEO Plan, as amended, implemented pursuant to 41 CFR Part 60-2.10(a)(3), 41 CFR §60-741.44(a) and 41 CFR §60-300.44(a), and in accordance with the following laws, as amended: Title VII and Title IX of the Civil Rights Act of 1964; The Equal Pay Act of 1963; Executive Order 11246; the Age Discrimination in Employment Act of 1967; the Rehabilitation Act of 1973, as amended (Section 503); the Americans with Disabilities Act of 1990; the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA); the Civil Rights Restoration Act of 1988; NC General Statutes Chapters 116 and 126 and Title II of the Genetic Information Nondiscrimination Act of 2008, the North Carolina Equal Employment Opportunity Policy effective June 1, 2015, along with all other applicable federal and state laws governing equal employment opportunities.

13. Federal Funding – Uniform Guidance.

The Parties agree that when utilizing federal funding in the performance of this Agreement, the Parties shall comply with all applicable provisions of 2 C.F.R. §200.326 and 2 C.F.R. Part 200, Appendix II, (Uniform Guidance), including, but not limited to: The Equal Employment Opportunity Clause (41 C.F.R. Part 60); Davis-Bacon Act (40 U.S.C. 3141-3148); Copeland "Anti-Kickback" Act (40 U.S.C. §3145); Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708); Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387); Debarment and Suspension (Executive Orders 12549 and 12689); Byrd Anti-Lobbying Amendment (31 U.S.C. 1352); Procurement of Recovered Materials (2 C.F.R. §200-322); and Record Retention Requirements (2 C.F.R. §200-324).

14. Miscellaneous.

14.1. Non-Compete. During the term of this Agreement and for a period of one (1) year following the termination or expiration of this Agreement for any reason, neither Party shall employ nor offer or seek to employ, either directly or indirectly, any person who, at that time or within the last six (6) months, was either employed or engaged as an independent contractor by the other Party.

14.2. Force Majeure. Neither Party shall be liable for any failure or delay in the performance of its obligations due to causes beyond the reasonable control of the Party affected, including but not limited to war, sabotage, insurrection, riot or other act of civil disobedience, strikes or other labor shortages, act of any government affecting the terms hereof, accident, fire, explosion, flood, hurricane, severe weather or other act of God. Each Party shall promptly notify the other Party in the case of an event arising under this Section.

14.3. Entire Agreement. This Agreement constitutes the entire understanding of the Parties with respect to its subject matter, and supersedes all prior or contemporaneous written and oral agreements with respect to its subject matter. Except as provided expressly herein, this Agreement shall not be modified, amended, or in any way altered except in a written amendment executed by both of the Parties. No waiver of any provision of this Agreement, or of any rights or obligations of any Party hereunder, will be effective unless in writing and signed by the Party waiving compliance.

14.4. Headings. Headings used in this Agreement are for convenience of reference only and shall not be deemed a part of this Agreement.

14.5. Assignment. Neither Party may assign this Agreement or any right hereunder without the prior written consent of the other Party; provided however that FARRAGUT may assign this Agreement to the acquirer of all or substantially all of its business, so long as such acquirer agrees in writing to be bound by the terms of this Agreement and notice is provided to COUNTY within ten (10) days of such transfer of any new entity, address and/or contact(s). Any attempted assignment not authorized herein shall be null and void.

14.6. Notices. All notices required or permitted hereunder shall be in writing, delivered personally, by certified or registered mail, or by overnight delivery by an established national delivery service at the respective addresses first set forth above. Notices to FARRAGUT shall be sent to the attention of Vice President of Local Gov Solutions or to such other person designated by FARRAGUT in a written notice to COUNTY. Notices to the COUNTY shall be sent to the attention of the GUILFORD COUNTY Manager and to the attention of the GUILFORD COUNTY Information Services Director or to such other person designated by GUILFORD COUNTY in a written notice to FARRAGUT. All notices shall be deemed effective upon personal delivery or when received if sent by certified or registered mail or by overnight delivery.

(The remainder of this page is intentionally left blank.
This Contract continues with signatures on the following page.)

Both Parties acknowledge that they have read and understand this Agreement (including all Exhibits as applicable) and is entering into this Agreement only on the basis of the terms expressly set forth in this Agreement. Any executed copy of this Agreement made by reliable means (e.g. photocopy or facsimile) is considered an original. The “Effective Date” of this Agreement is May 1, 2019.

IN WITNESS THEREOF, the Parties have caused this Agreement to be signed and delivered by its duly authorized officer or representative.

Agreed and Accepted:

FARRAGUT SYSTEMS, INC.

GUILFORD COUNTY

By: _____

By: _____

Name: _____

Name: Marty K. Lawing

Title: Vice President of Local Gov Solutions

Title: Guilford County Manager

Date: _____

Date: _____

ATTEST: _____
Corporate Secretary

ATTEST: _____
Robin B. Keller
Guilford County Clerk to Board

Date: _____

Date: _____

(CORPORATE SEAL)

(COUNTY SEAL)

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Harley Will Date
Guilford County Finance Director

EXHIBIT A

SUPPORT SERVICES AND FEES

1. Software. The Software supported under this Agreement is NCPTS Billing, Collections, & Personal Property (B&C) and Land Records and CAMA (LRC).

2. General Performance Duties of FARRAGUT. FARRAGUT shall:

2.1. Use diligent efforts to correct Errors and provide reasonable workarounds in the order of priority as specified by the COUNTY. As part of this service, FARRAGUT will also correct defects in data that are not caused by user or third-party software error, e.g., those caused by Errors or FARRAGUT batch run or data migration errors.

2.2. Provide reasonable assistance related to maximizing the use or the performance of the Software, including assisting users with the proper use of the Software and with data issues related to queries and report writing.

2.3. Maintain a Customer Response Center ("CRC") Monday through Friday (excluding normal business holidays) from 8:00 AM until 5:00 PM Eastern Time for the reporting, execution, and management of Services.

3. Staffing Requirements of FARRAGUT.

3.1. FARRAGUT will provide personnel with adequate skill and training as shall be required to meet its obligations and deliver the Services as described in this Agreement.

4. Reporting Requirements of FARRAGUT. FARRAGUT will provide a web-based Issue entry and service status system ("NITS", including any successor system thereto). This system will support:

4.1. Submission of Issues

4.2. Tracking of Issue priorities and status (including opened and closed issues)

4.3. Access to Issue resolution database

5. Meetings Arranged by FARRAGUT. FARRAGUT will facilitate and provide reports for the following meetings:

5.1. Monthly prioritization meetings by telephone to review and prioritize the COUNTY's Issues.

5.2. Up to four planning meetings at FARRAGUT to collectively review and plan how support services are delivered to all support customers for the Software.

These meeting will be scheduled on mutually agreeable dates and will include other NC county customers of the Software.

5.3. Such additional meetings as are mutually agreed and scheduled.

6. System Releases

6.1. Not less than four System Releases per year will be delivered to COUNTY on mutually agreeable dates, unless otherwise mutually agreed.

6.2. System Releases will be delivered using the following approach:

(a) Issue Cut Off – Cut off date for reporting Issues to be included in the System Release is five weeks prior to the scheduled Acceptance Testing Release.

(b) Issue List – List of Issues to be included in the System Release provided to the COUNTY in NITS prior to the scheduled Acceptance Testing Release.

(c) Acceptance Testing Release – System Release is provided to the COUNTY for installation and acceptance testing.

(d) Production Decision – Participating Counties collectively make decision to accept or reject the System Release within four weeks after Acceptance Testing Release.

(e) Production – FARRAGUT puts System Release into production within two weeks of collective acceptance.

6.3. Technology Upgrades. FARRAGUT will add support in System Releases for minor new versions of third party database software as soon as commercially practicable.

6.4. System Releases will have a Release Acceptability of 92% or higher.

7. **Timing Standards of Performance by FARRAGUT.** FARRAGUT shall meet the following timing standards in connection with the Repair and Support Services:

7.1. Resolution Time. Critical Severity Issues will be resolved using Hot Fixes to be delivered within 3 business days of the Issue being reported, provided that if the Critical Severity Issue is not capable of resolution within that time frame, FARRAGUT shall provide to the COUNTY a description of the Hot Fix plan and time frame for resolving the Issue.

7.2. **Acknowledgement Time.**

(a) In the event of a Critical Severity Issue FARRAGUT will respond within one business hour.

(b) In the event of a Major Severity Issue FARRAGUT will response within one business day.

(c) FARRAGUT shall respond to telephone and e-mail queries about additional Issues, services, and other matters within 2 business days of the receipt of the inquiry from the COUNTY.

8. General Performance Duties of the COUNTY. In addition to the obligations in the License Agreement, the COUNTY shall meet or cause the Users to meet the following obligations in connection with the Services:

8.1. Report Issues in NITS.

8.2. Provide timely user acceptance testing for Hot Fixes and System Releases prior to putting them into production.

8.3. Put System Releases into production within two weeks of collective acceptance.

8.4. Participate in scheduled support review and planning meetings.

8.5. Respond to reasonable requests for information and clarification regarding Services to be performed.

8.6. Appoint a named Support Coordinator to provide first-level maintenance and support services to the Users and coordinate second-level support with FARRAGUT. First level maintenance and support includes the provision of telephone and e-mail support to Software users and the implementation of documented fixes and workarounds.

8.7. Provide system administration services to keep the Software in good working order including monitoring security configuration, managing allocation of user names and passwords, configuring and monitoring automated batch jobs, monitoring disk space and other resource use, and performing backups.

8.8. Provide database administration services that provide for data security enforcement, database performance, and backup and recovery

8.9. Provide data loading and extraction services related to required data imports or extracts from the Software.

8.10. Provide and maintain FARRAGUT access to a current test environment. All such FARRAGUT access shall be consistent with COUNTY's security policy, as communicated to FARRAGUT from time to time.

9. Services Not Included in this Agreement. The following services can be provided by FARRAGUT at additional cost and are not provided in this Agreement.

9.1. First-level maintenance and support services to the Users.

9.2. Administration services to keep the Software and related hardware, third-party software and other IT infrastructure in good working order including monitoring security configuration, managing allocation of user names and passwords, configuring and monitoring automated batch jobs, monitoring disk space and other resource use, and performing backups.

9.3. Database administration services that provide for data security enforcement, database performance, and backup and recovery.

9.4. Data loading and extraction services related to required data imports or extracts from the Software.

9.5. Report writing.

9.6. Data migration-related issues for situations where FARRAGUT was not responsible for the data migration.

9.7. Extended service hours beyond the normal CRC hours.

9.8. On-site services (unless determined by FARRAGUT to be necessary for addressing a Critical Severity Issue).

9.9. Change requests and enhancements.

9.10. Business and technical consulting.

9.11. Technology upgrades, other than those contained under section 6.3 Technology Upgrades.

10. Reporting and Approvals. The Support Coordinator for the COUNTY shall be Hemant Desai, Guilford County Information Services Director, or his designee. The Support Coordinator for FARRAGUT shall be Renee Knight. The delivery and implementation of all Hot Fixes must be approved by both Support Coordinators.

11. Fee Schedule. As full compensation for FARRAGUT's delivery of the goods and/or services hereunder, the COUNTY agrees to pay the amounts as set out herein.

11.1 Payment will be made by the COUNTY to FARRAGUT within thirty (30) days of receipt of a correct invoice and proper documentation that the goods and/or services have been delivered or provided in accordance with this Contract. The financial exposure to the COUNTY is not to exceed **\$570,000** for the three (3) year term of this Contract, as further described below:

NCPTS B&C support pricing is \$95,000 per year.

NCPTS LRC support pricing is \$95,000 per year.

11.2. After the initial three (3) year term of this Contract, the Parties may extend this Agreement for additional consecutive one (1) year terms by execution of a Contract Amendment. The Parties should begin the process to extend the Contract term by entering into an Amendment within ninety (90) days prior to the expiration of the applicable Contract term. Pricing for one (1) year extensions

may remain the same, but shall not be increased more than three percent (3%) for each consecutive one (1) year term. Fees shall be payable in advance prior to the start of such one (1) year renewal term, provided that in no event shall the maintenance fee increase by a cumulative amount of more than three percent (3%) per renewal year (unless the COUNTY has acquired additional Software modules or has increased its number of real property parcels into a higher tier, as described herein). Annual fees may be invoiced thirty (30) days prior to the expiration of the previous term.

The Services will be provided by FARRAGUT for an annual fee, based upon the Software modules in production and the COUNTY's total number of real property parcels as of the Effective Date and subsequently as of each annual renewal date, as follows.

If, at of the beginning of any renewal term, the applicable number of real property parcels has changed enough to move into a new tier, then the annual support fee will be changed on a graduated basis to the new tier amount, in that one-half (1/2) of the change will apply in the renewal term and the remaining one-half (1/2) of the change will apply in the following renewal term, or if not renewed, the following year.

| Software Modules | Number of Real Property Parcels | Annual Fee |
|------------------|--|------------|
| B&C | Tier 1: equal to or greater than 300,000 real property parcels | \$195,000 |
| | Tier 2: greater than 120,000 and less than 300,000 real property parcels | \$95,000 |
| | Tier 3: equal to or less than 120,000 real property parcels | \$50,000 |
| LRC | Tier 1: equal to or greater than 300,000 real property parcels | \$195,000 |
| | Tier 2: greater than 120,000 and less than 300,000 real property parcels | \$95,000 |
| | Tier 3: equal to or less than 120,000 real property parcels | \$50,000 |

The COUNTY agrees to provide FARRAGUT with access to the COUNTY's systems upon FARRAGUT's request to audit and confirm the COUNTY's total number of real property parcels.

STATE OF NORTH CAROLINA
COUNTY OF GUILFORD

AFFIDAVIT REGARDING E-VERIFY

I, _____ (the individual attesting below), being duly authorized by and on behalf of **Farragut Systems, Inc.** _____ (the entity doing business with **Guilford County**, hereinafter "Employer") after first being duly sworn hereby swears or affirms as follows:

1. Employer understands that E-Verify is the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with NCGS §64-25(5).
2. Employer understands that Employers Must Use E-Verify. Each employer, after hiring an employee to work in the United States, shall verify the work authorization of the employee through E-Verify in accordance with NCGS§64-26(a).
3. Employer is a person, business entity, or other organization that transacts business in this State and that employs 25 or more employees in this State. Mark "Yes" or "No":
 - a. YES _____; or,
 - b. NO _____
4. Employer's subcontractors comply with E-Verify, and if Employer is the winning bidder on this project Employer will ensure compliance with E-Verify by any subcontractors subsequently hired by Employer.

This _____ day of _____, 2019.

Signature of Affiant

Print or Type Name: _____

State of North Carolina County of Durham

Signed and sworn to (or affirmed) before me, this the _____ day of _____, 2019.

My Commission Expires: _____.

Notary Public

|||
(Affix Official/Notarial Seal)