

Statement of Work

This Statement of Work (**SOW**) is entered into as of the date of the last signature below by and between Tillamook County, whose principal place of business is at 201 Laurel Avenue Tillamook, OR 9714 (**Customer**) and LVSYS Corp. dba Buildable whose principal place of business is at 620 NE 3rd Street, Suite A, McMinnville, OR 97128 (**Developer**) pursuant to the Software Development Agreement entered into on [02, 21, 2022] between the Customer and the Developer (**Agreement**).

1. FEE SCHEDULE.

- a. **Services and Deliverables.** The Developer shall provide the Services and Deliverables in accordance with the Roadmap and the Acceptance Criteria (defined below) and achieve the Milestones and satisfy the User Testing (**UAT**), all as described in **Appendix 1** of this SOW.
- b. **Fee Schedule.** The fees payable by the Customer to the Developer in consideration for the supply of the Services and Deliverables are set out in [section 4] of **Appendix 1** of this SOW. The fees shall be payable by the Customer to the Developer in accordance with Clause 2 of the Agreement (**Service Fees**).

2. GENERAL.

- a. The Customer hereby engages the Developer to perform the Services and to deliver the deliverables (**Deliverables**) as described more fully in **Appendix 1**. This SOW is subject to and shall be governed by the Agreement, subject to any modifications contained in this SOW which shall apply only to this SOW. Any terms not defined herein have the meanings ascribed to such terms in the Agreement.
- b. This SOW and the Agreement constitute the entire agreement between the parties, and supersede all prior or contemporaneous negotiations, agreements and representations, whether oral or written, related to this subject matter. No modification or waiver of any term of this SOW is effective unless both parties sign it.
- c. The term of this SOW shall commence on the date of the last signature below and shall expire upon expiry or the completion of performance of the Developer's obligations hereunder or (if applicable) on the expiry date set out in **Appendix 1**.
- d. This SOW may be executed in any number of counterparts, each of which when executed and delivered is an original, but all the counterparts together constitute the same document. Delivery of an executed counterpart of a signature page to this SOW by fax or e-mail shall be as effective as delivery of a manually executed counterpart of this SOW.

DEVELOPER:

Max de Lavenne

Signature

MAX DE LAVENNE

Printed Name

PRESIDENT

Title

LVSYS CORP dba Buildable

Company Name

2/24/2022

Date

CUSTOMER:

Signature

Printed Name

Title

Company Name

Date

APPENDIX 1

1. SCOPE SUMMARY

This SOW relates to the Tillamook County Software Contract. The purpose of this project is to redevelop the Tax Assessor Management System for Tillamook County. We will achieve these goals using the agile methodology.

a. **Key Objectives:**

- To establish a product vision
- To establish a product roadmap
- Establish key success metrics
- To understand users' needs & wants
- To establish a design direction
- To develop the application as a web application
- To create Landing screens and appraisal management
- To create reporting pages
- To create maintenance pages
- To create search pages

Description of the **Developer's Services** provided hereunder are as follows:

- UX / Design
- Frontend Development
- Backend Development
- QA / UAT
- Product Management

b. The described core team will work within a **scrum framework** (a framework for the iterative development of complex products with each series of iterations termed a 'Sprint'). Every Sprint will follow a specific structure:

- Sprint Planning Meeting i.e. purpose, Tasks and QA fixes prioritization with the help of the Customer's Product Owner
 - (1) Defined purpose of Sprint (**Purpose**)
 - (2) Define Tasks to occur within Sprint. Tasks are jobs establishing internal framework or critical support to one or more Stories. (**Tasks**)
 - (3) Complexity Estimation
 - (4) Sprint Budget Allocation. This is an estimate of the hours and associated fees for accomplishing the Sprint (**Sprint Budget**)
 - (5) Optional: Backlog grooming and prioritization
 - (6) Team and PO commitment and approval of Sprint
- Sprint progress (Suggested 1-4 weeks)
- Quality Assurance (QA) fixes
- Retrospective

2. RESOURCE ALLOCATION

a. **The Developer will provide User Testing** carried out by the UX/design team and Product Manager. This process will help in the hypothesis validation and will be carried out during the course of the project. The Developer will supply the following resources for the User Testing:

- Product Manager, User Experience
- b. The Developer will provide **front and back-end development**. The structure of the development team will vary depending on the requirements of each Sprint.
 - The Developer will provide as a minimum team. 1 Front End Developer, 1 Back End Developer, Product Manager
- c. The Developer will provide **UX and design team** composed by:
 - Design lead, User Experience.
- d. The Developer will provide a **QA team** composed by:
 - Product Manager, 1 Developer

3. REQUIREMENTS AND ACCEPTANCE CRITERIA.

The process for deciding on requirements in relation to this SOW and the Acceptance Criteria for each Sprint shall be as follows:

- a) **Requirements will be captured and approved** according to the following process for a given Sprint:
 - The entire team will produce and document the Tasks to be built no later than 2 Business Days before the start of the Sprint. These will need to be estimated and ready for consumption by the team and prioritized into a suggested release plan.
 - The Tasks created by the team will be weighed (estimated) for development by the Development Team no later than 1 Business Day before the start of the Sprint.
 - The estimated Tasks will go through the Sprint planning process where the product team and the Customer Product Owner will move and prioritize the Tasks in the backlog.
 - During the weekly Sprint Review Meeting, the parties shall capture requirements to be built and the specific objective technical acceptance criteria will be defined (**Acceptance Criteria**) for each Story. Acceptance Criteria will be defined at the beginning of each Sprint and included in Addenda.

Note: Any external requirements are not binding on Developer unless they are documented in a Sprint.
- b) **Product definition:** Test hypothesis and assumptions using prototypes and user research
- c) **Front and Back-End Development team:** Development of Stories according to the backlog.
- d) **User Experience and Design:** production and test design identified in the Tasks using the backlog.
- e) **Quality Assurance:** functional testing and bug discovery, following defect fixing.

4. ROADMAP

- a. **Known Milestones** for discovery phase and Sprints are listed in the table below. Additional intermediate Milestones may be agreed with the Customer's Program Managers based on the Agile Methodology in the context of the agreed product specification.

Phase	Sprint	Description	Weeks	People	Cost	Start Date
Discovery	Sprint 1	Discovery: Documentation Review, Technology Audit	1	0.25	\$1,750	2/21/2022
		Review existing code base				
		Document architecture of new system				
		Assess all third party database and APIs that are needed.				
Discovery	Sprint 2	UX Workflows and Design	1	0.25	\$1,750	2/28/2022
		Design the high level landing pages needed for implementation:				
		- DCD Permit				
		- Maintenance				
		- Reports				
		- Search				
		- Navigation				
		- and other pages as needed				
		Review and refine				
Discovery	Sprint 3	Dev Environment Setup + Web App Setup + Baseline System	1	0.5	\$3,500	3/7/2022
		Setup Dev Environment,				
		- Gitlab source control setup				
		- Jira onboarding				
		- Application signup.				
		- Database setup, as clone of existing Database to ensure compatibility				
		Web App Setup with baseline:				
		- User Interface				
		- Site Map				
		- Top Nav,				
		- Login/Logout/Forgot Password				
		- User Management,				
		- Access Permissions				
		- Main Landing Page				
		- SSO integration				
	TOTAL				\$7,000	

Development	Sprint 4	Main Landing Screen: Appraisal Management	4	0.25	\$7,000	3/14/2022
		- Connect to AIMS Database				
		- Connect to ORCATS system				
		- Build the screens with current functionality				
Development	Sprint 5	Create All Report Pages, under Reports Menu	4	0.25	\$7,000	4/11/2022
		Build the screens with current functionality:				
		- Original Reports* (Note: these were not shown to Buildable, and estimate could be affected)				
		- Maintenance Reports				
		- Production Reports				
Development	Sprint 6	Create All Maintenance Pages, under Maintenance Menu	4	0.25	\$7,000	5/9/2022
		Build the screens with current functionality:				
		- Administrator setup				
		- DCD Permit Intake				
		- Assign Appraisal Areas				
		- Reinstated Permits List				
		- View Error Permits				
		- Inactive Accounts with Active Permits				
		- Re-Assign Maintenance Areas				
		- Alternative Maintenance Area Codes				
		- Appraiser Id's				
		- Cycle Year Codes				
		- Maintenance Area Codes				
		- Report Period Codes				
		- Status Codes				
Development	Sprint 7	Create all Search Pages, under Search Menu	2	0.5	\$7,000	6/6/2022
		Build the screens with current functionality:				

		- Search Results				
		- Display columns				
		- Filters				
	TOTAL				\$28,000	
UAT, PM, and Deployment	Sprint 8	Testing and Deployment	2	0.5	\$7,000	6/20/2022
		Deployment side by side with the existing VB6 app				
		Customer UAT,				
		- Time reserved for Buildable to address any fixes or issues found during this phase.				
UAT, PM, and Deployment	Sprint 9	Project Management	0.1	10	\$7,000	7/4/2022
	TOTAL				\$14,000	
	TOTAL		19.1		\$49,000	7/5/2022

- b. **Expiry Date.** The Expiry Date for this SOW will be 07/31/2022; except if changes identified by Customer during the course of the SOW require additional work.

5. ACCEPTANCE CRITERIA DISPUTE RESOLUTION

- a. In the event where there is a bona fide dispute based on the Acceptance Criteria for the Sprint, the Developer will re-submit the Deliverables and/or Milestone in a mutually agreed timely manner and the Customer will get another 10 Business Days to review the resubmission of the Deliverables and/or Milestone. The table below indicates 'Done' criteria for various Sprint activities.

Process Area	Activities	Owner	Timing
Tasks and QA Fixes	Will be prioritized in the backlog.	the Customer and Product Manager	1 Business Day before start of Sprint

Task completion	Code has been checked in, unit tests, passed and code reviews conducted. All test cases passed.	Product Manager	During the Sprint
Deliverable review	Task is reviewed by the Product Owner.	the Customer	Final day of Sprint
Sprint Completion	During the sprint review all the completed Tasks are approved/rejected by the Customer Product Owner based on the Acceptance Criteria.	the Customer	Final day of Sprint

6. CHANGE CONTROL

- a. The Customer may, at any time, request (and the Developer may, at any time, recommend) changes, modifications, or additions to any aspect of a SOW. All such requests (which are considered by the Developer to be more than minor) shall be subject to the Change Control Procedure. (**Change Order**)
- b. No purported amendment or variation of the Agreement or this SOW shall be effective unless it is in writing in a form agreed by the Customer and the Developer and executed by or on behalf of each of the parties acting through the Product Manager at the Developer and Product Owner at the Customer.
- c. Services i) requested by the Customer, and agreed in the Change Order, which are additional to an applicable SOW, or, ii) work requested by the Customer to be undertaken outside of Business Hours shall incur additional Fees which shall be pro-rated in accordance with Day Rates.

7. USER TESTING

- a. The Developer will provide capacity for the team to test hypothesis and assumptions using prototype and user research. The team will carry out user interviews and analyze competitor landscape.
- b. The Developer will provide capacity for the team to carry out standard usability tests running during each Sprint to test layout, content and features.

8. FRONT AND BACK END DEVELOPMENT

- a. The Developer will provide capacity for the development team to develop and unit test Tasks identified and prioritized in the backlog by the Customer and the Developer Product Manager.
- b. **UX / Design Team.** The Developer will provide capacity for a User Experience and Design team to produce and test wireframes and visual design identified in the Tasks in the backlog. All the design will undergo the Customer design review at the end of every Sprint.

- c. **Quality Assurance.** The Developer will provide capacity for a Quality Assurance team to carry out functional testing and bug discovery. Developers will be provided to fix defects found by the testers.
- d. **Deliverables.** A list of Deliverables shall be determined at each Sprint meeting and included as an addendum to the Agreement and SOW.

9. SPRINT KICKOFF

- a. The Developer will build product Purpose, Tasks and Quality Assurance, as selected and prioritized by the Customer's Product Owner and the Developer Product Manager and accepted for development in the Sprint Planning Meetings in line with any Sprint Budget agreed in such Sprint Planning Meetings.
- b. The Developer's Product Manager shall have the capability to refine and break down Stories into smaller Stories during the course of the current sprint.
- c. List of key Deliverables under this SOW are listed in table below:

Deliverables	Day / Frequency	Owner	Purpose
Feature, Tasks and Bug Stories conceiving	1-3 Business Days before the start of the Sprint	The Customer and Product Manager	Provide details of the Stories that the user testing and the UX team identified for the project
Team complexity estimation	1-2 Business Days before start of Sprint	Product Manager	Front and back end team will provide a complexity estimation on the Feature and bug Stories
Sprint Planning Meeting	1 Business Days before the start of the Sprint	The Customer and Product Manager	The Customer Product Owner and the Developer Product Manager will define Sprint Tasks
Weekly sprint report	Day 2 and 9 of each Sprint	Product Manager	Provide visibility to the Customer Product Owner on Sprint progress
Sprint Demo / Review	Last Day of each Sprint	The Customer and Product Manager	Demonstrates completed Features to the Customer IT and Business and gain acceptance for the tasks/design review. Participation of main stakeholders is key for this process.

10. OUT OF SCOPE

The Developer is only responsible for the provision of the Services and Deliverables as described in this SOW and the Agreement and shall not be responsible for the following non-exhaustive list of activities which are out of scope:

- Database and servers i.e. Azure, SQL, etc.
- Purchase of fonts and images.
- Management of any vendors and third-parties.
- Provide marketing material.
- Provide final copywriting sign off.

11. FEES AND PAYMENT

- a. As an Agile company, BUILDABLE provides a rate per engineer plus a project management fee and estimates project costs based on the duration of each sprint. Sprints shall not last longer than 1 to 4 weeks.
- b. Developer accepts payments in Checks or Direct Bank Deposits (ACH). Developer accepts Credit Card payments subject to an additional 3% credit card processing fee. Developer will not accept cash. Developer will start with a deposit of \$10,000 value. Developer will invoice client at the end of each month for the work executed during that month and will expect payment to be received in net 10.
- c. Project management fees vary depending on sprint complexity. Fees cover and are not limited to all Client meetings, Client phone calls, Client emails and daily internal Agile meetings, meeting notes, SOW addendum preparations, Agile backlog grooming and other internal project management meetings. These are included in sprint estimates.
- d. The Customer shall reimburse the Developer for any reasonable direct and actual travel-related expenses that are pre-approved by the Customer Program Managers. The Developer must submit appropriate documentation evidencing expenses to be reimbursed. The Developer will have a window of one month’s billing cycle for expense reimbursement.
- e. The day rate of \$175/hour is based on a minimum of 8 hours worked in the applicable day. There shall be no overtime or any work on weekends or holidays unless such work has been scheduled with the prior written approval of the Customer Program Manager and such shall incur additional fees calculated on a pro rata day rate. **(Day Rates)**

12. THE CUSTOMER DEPENDENCIES

- a. The table below lists key dependencies that have a significant impact on the delivery of Services and/or Deliverables to which this SOW relates and which are due to be delivered by the Customer in accordance with the Roadmap and this SOW:

Dependency Ref #	Dependency Title	Description of Dependency	Service or Product Affected
1	Customer/ Attendance and Cooperation	Availability of the Customer's resources to attend planning workshops, and participate in follow-up meetings, to	Backlog

		<p>support definition and delivery of Backlog.</p> <p>Full cooperation of Customer under this SOW.</p>	
2	Customer Cooperation	<p>Availability of Customer's resources:</p> <p>3rd Party Integration Licenses, client machine environment, access to network, product files, shared folder</p>	Widget