Letter of Agreement between the Texas Water Development Board
and
RFD and Associates

This Letter of Agreement (AGREEMENT), along with a signed purchase order, will serve as the AGREEMENT between the Texas Water Development Board (TWDB) and RFD and Associates (CONTRACTOR), who will provide annual maintenance service and support to the On-Line Loan Application System (OLA) as listed within this AGREEMENT. This AGREEMENT is not valid without proper signatures and a signed purchase order. The purchase order will be issued upon receipt of the executed AGREEMENT.

In addition, all terms and conditions of Department of Information Resources (DIR) Contract Number DIR-TSO-3845 are incorporated by reference. In the event of a conflict between this Agreement and the DIR contract, the DIR contract will take precedence.

Statement of Work-

The following systems are included under this Statement of Work (SOW):

- Online Loan Application (OLA)
- OLA Interfaces with the below:
  - JSON
  - TxWISE

1. MAINTENANCE

Contractor shall meet or exceed the following requirements and shall:

a. Provide maintenance for the OLA application implemented at the TWDB to ensure uptime Monday through Friday (excluding holidays), 8:00 a.m. to 5:00 p.m. Central Time (CT).

b. Provide telephone, email, WebEx, and/or onsite support. Support shall be provided 7:00 a.m. to 6:00 p.m. CT, Monday through Friday, excluding holidays.

c. Contractor shall respond to support notifications in accordance with the criteria stated in the Support Response Table (below) after receiving notification from TWDB during normal business hours:

Support Response Table

Support Response	Support Level	Severity	Description
Within **4 hours** to return initial email or phone call	One	Critical	1. An incident that results in a critical business impact. This could include loss of service, data loss or corruption, or the inability to complete processing or workflows within an application.
Within 8 hours to return initial email or phone call	Two	Medium	1. An incident that results in significant business impact for the customer. 2. The functionality of the software is adversely affected, but can be circumvented (a work around exists). 3. Certain functions within the software are disabled, but the system remains operable.
Within 48 hours to return initial email or phone call	Three	Low	1. An incident that results in a low business impact. All core functionality remains operable but changes are still required.

c. Be available when needed, via telephone, email or WebEx within reasonable time frames to help TWDB troubleshoot problems, apply fixes, or perform other important maintenance tasks during non-business hours.

d. Contractor shall correct verifiable and reproducible errors. The term "errors" shall be interpreted to include defects in the System application documented processes, database design, or code defects.

e. Contractor shall coordinate with TWDB planned System application maintenance.

f. Contractor shall ensure application data is secure and uses best practices and industry standards which meet TWDB security needs.

1.1 Contractor shall provide planned maintenance, including upgrade and data management strategies. This includes, but is not limited to the following:

a. Assist TWDB Project Manager(s) and System Analyst(s), or Database Administrator(s), including technical guidance and system process administration with planned software, data upgrades, and maintenance schedules.

b. All maintenance and upgrades shall be scheduled with TWDB prior to commencement.

c. Software upgrades shall be coordinated with TWDB to ensure that version incompatibilities are not created.

d. Assist TWDB Project Manager(s) with procedures that ensure that all potentially affected users shall be notified if at any point a system must be halted to provide maintenance.

e. Work with TWDB staff and its Information Technology (IT) staff in reviewing and responding to maintenance issues, which will be submitted by TWDB staff through JIRA.

f. Perform detailed analysis of bugs and issues regarding OLA.

g. Assist in documenting the anticipated programming efforts needed to resolve issues.

h. Participate in peer reviews of proposed changes.

i. Plan and perform unit-testing activities.

j. Respond promptly to any problems resulting from contractor-provided fixes or changes during system acceptance testing, regression testing or in production.

k. Assist in the deployment of changes to OLA application code, data structures, or data to the TWDB test and/or production environments in close coordination with IT technical staff.

l. Meet with program and IT staff to investigate, devise corrections to, and per approval, implement fixes.

m. Provide on-the-job training and/or technical knowledge transfer of the OLA system to IT staff by working with IT technical staff to troubleshoot and resolve issues.

n. Assist IT project management staff with planning and coordination of maintenance upgrades for the duration of this maintenance period.

o. Participate in OLA technical maintenance meetings.

p. Review logs and system messages as needed to ensure the system is operating and performing adequately.

q. Notify IT Project Manager(s) of any past or probable system downtime.

r. Attend and participate in scheduled technical maintenance meetings.

s. Assist in onsite project management and provide technical guidance as needed.

t. Assist TWDB staff in analyzing and implementing Data Change Requests (DCRs).

u. Update any outdated URLs contained within OLA interfaces.

v. Develop, test and deploy 200 hours' worth of Enhancements as requested by TWDB.

2. **TWDB RESPONSIBILITIES** - The TWDB shall:

a. Provide a Contract Manager/Information Technology Project Manager point-of-contact.

b. Provide access to appropriate data systems and information.

c. Provide resources for oversight, implementation and deployment of releases.

d. Provide resources to assist the Contractor in configuring the software.

e. Provide on-site space for Contractor personnel including office space with connectivity, meeting room, and testing areas as needed.

f. Ensure Contractor provided equipment meets TWDB hardware and software standards prior to connecting to the TWDB Network.

g. Submit requests for enhancements as needed.

3. **CONTRACTOR RESPONSIBILITIES** - The Contractor shall provide:

3.1 **STATUS REPORTS**

a. During the Maintenance period the Contractor shall submit monthly status reports on activities outside of regular maintenance. The monthly reports shall be delivered to the TWDB OLA Project Manager no later than the 10th of the following month.

3.2 **CONTRACTORS PERSONNEL/STAFF REQUIREMENT**

a. Assist in the deployment of changes to OLA application code, data structures or data to the TWDB test and production environments in close coordination with TWDB technical staff.

b. Modify and/or deploy any ad hoc reports.

c. Assist with the planning and coordination of the Environmental Protection Agency (EPA) upgrades.

d. Shall create and/or maintain/update OLA user's guide/manual, data model, as well as additional documentation to include requirements, design and other deliverables as requested by TWDB. Updates shall be done at least twice per year.

e. Shall create and maintain/update OLA database dictionary post major structural changes to the OLA system. Updates shall be done at least twice per year.

f. Reports and format standards will be approved in writing by the TWDB.

g. Contractor Project Manager's (PM) primary responsibility shall be the day-to-day operation of the service in accordance with this LOA.

h. Contractor PM shall be a permanent Contractor staff employee and shall serve as a constant primary point-of-contact for the TWDB.

i. The TWDB recognizes that events beyond the control of Contractor such as death, physical or mental incapacity, long-term illness, or the voluntary termination of employment of the PM will require that Contractor propose a replacement. In the event that such a replacement is necessary, Contractor agrees that no personnel shall begin work on the project without prior written approval from the TWDB.

j. The use of subcontractors or contract employees is permitted with prior approval from TWDB.

k. Proposed replacement personnel shall meet minimum qualifications and have experience comparable to the person(s) being replaced. Replacement personnel shall be provided at no additional cost with prior approval from TWDB.

l. Contractor agrees that key personnel assigned to the TWDB shall remain available for the duration of the term of the purchase order, to the extent that this contract requires their services as long as that individual is employed by Contractor and until the contract end date is reached. TWDB understands that the contractor staff may have multiple project assignments outside this contract. Contractor shall work with TWDB to assign staff and schedule delivery of enhancement requests.

4.0 INITIAL TERM

September 1, 2018 through August 31, 2019.

5.0 OPTION TO RENEW SERVICES

There will be an option to renew for 2 years, under identical terms.

6.0 Stop Work Order

The TWDB may issue a Stop Work Order, in writing, to the CONTRACTOR at any time. The Stop Work Order (SWO) shall provide the CONTRACTOR with notice of

the facts underlying the determination to issue the SWO. The SWO may require an immediate cessation of work or the cessation of work at a definite future date. The SWO shall provide the CONTRACTOR with a definite limited time to cure the conditions underlying the SWO.

7.0 Pricing and Payment

a. The cost to provide the maintenance and service stated within this Agreement is $4,166.66/per month for the first 11 months and $4,166.74 for the 12th month for a total of $50,000.00. Payment shall be due within thirty (30) calendar days from receipt of invoice(s).

b. Invoices will be processed monthly. Payment shall be due within thirty (30) calendar days from receipt of each invoice. The invoice(s) must include the purchase order number and be sent directly to the Texas Water Development Board, Accounts Payable, and P.O. Box 13231, Austin, TX, 78711-3231 or emailed to invoice@twdb.state.tx.us.

Acknowledgement and Acceptance

By signing and accepting this AGREEMENT, the CONTRACTOR understands and agrees they are performing the SERVICES as an *independent contractor* and *are not* an employee of the TWDB.

The CONTRACTOR is responsible for payment of any taxes, fees or charges. Taxes, fees or charges *will not* be deducted from any payments made under this AGREEMENT.

The CONTRACTOR shall receive a 1099 after the first of each calendar year.

The CONTRACTOR must accept the authority of the State Auditor's Office, under direction of the Legislative Audit Committee, to conduct audits and investigations in connection with any and all state funds received. The CONTRACTOR shall comply with and cooperate in any such investigation or audit. The CONTRACTOR agrees to provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. The CONTRACTOR also agrees to include a provision in any subcontract related to this contract that requires the subcontractor to submit to audits and investigation by the State Auditor's Office in connection with any and all state funds received.

This Letter of AGREEMENT is hereby entered into by:

TEXAS WATER DEVELOPMENT BOARD	**RFD and ASSOCIATES**
Jeff Walker Executive Administrator	Scott T. Glover Chief Operating Officer
Date: 9.5.18	Date: 8/17/2018