TOWN OF KEYSTONE
Summit County, Colorado

RESOLUTION 2024-44

A RESOLUTION OF TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO APPROVING PROFESSIONAL SERVICES AGREEMENT WITH BLUEVECTOR AI

WHEREAS, the Town of Keystone ("Town") is a home rule municipality governed by the Keystone Home Rule Charter; and

WHEREAS, on October 1, 2024, the Town will take over from Summit County the licensing of short-term rentals in the Town of Keystone; and

WHEREAS, Town Staff is actively working towards the implementation of the Short-Term Rental licensing program, necessitating the procurement of a suitable licensing software; and

WHEREAS, Town Staff has conducted thorough research on various software providers offering licensing solutions, and based on that research, recommends contracting with BlueVector AI for software for short-term rental licensing; and

WHEREAS, the Town Council finds it in the best interest of the Town to contract with BlueVector AI for the short-term rental licensing software.

Now, Therefore, be it Resolved by the Town Council of the Town of Keystone, Colorado, that:

Section 1.   The Town Council authorizes the execution of a Professional Services Agreement with BlueVector AI in substantially the form attached hereto as Exhibit A. The Town Manager is authorized to execute the Professional Services Agreement with BlueVector AI on behalf of the Town.

Section 2.   Effective Date. This Resolution shall take effect upon its approval by the Town Council.

ADOPTED by a vote of _7_ in favor and _0_ against, this _28th_ day of _May_, 2024.

By: _Kenneth D Riley_
Kenneth D. Riley, Mayor

ATTEST:

By: _Madeleine Sielv_
Town Clerk

Approved as to Form:

By: _Jennifer Madsen_
Town Attorney

This Professional Services Agreement (this "Agreement"), made effective as of (the "Effective Date"), is by and between BLUEVECTOR AI, LLC ("BlueVector AI"), having a place of business at 1616 Federal Boulevard, Denver, co 80204, and the Town of Keystone ("Client" or "Town"), a Colorado home rule municipality. BlueVector AI and Client hereby agree as follows:

1. Engagement

Client hereby engages BlueVector AI to render the professional services under this Agreement ("Services"), as described in one or more statements of work executed by the parties (each, a "SOW"), in accordance with the terms and conditions provided herein and, in each SOW, Client will provide BlueVector AI with timely and reasonable access, support and resources as may be needed to successfully complete the SOW. To the extent that the terms of any SOW conflict with this Agreement, the terms of this Agreement shall govern over the SOW unless the SOW expressly provides otherwise with reference to the conflicting provision of this Agreement. A SOW may only be modified by written agreement signed by authorized representatives of each party.

2. Price and Payment

a. Services Fees. Unless otherwise expressly stated in the applicable SOW, Services shall be provided on a time and materials ("T&M") basis and at rates listed in the SOW. On a T&M engagement, any estimated total amounts listed in the applicable SOW are solely a good-faith estimate for Client's budgeting and BlueVector AI's resource scheduling purposes, and not a guarantee that the work will be completed for that amount; the actual amount may be higher or lower. Notwithstanding the foregoing, the parties may agree to a not-to-exceed cap in the SOW, in which case BlueVector AI will seek Client's approval prior to performing any Services which would render the total fees under a SOW in excess of the cap.

b. Pre-Approved Expenses. In addition to paying the fees described above, Client will reimburse BlueVector AI for reasonable expenses and costs incurred by BlueVector AI in connection with the Services performed, including travel and lodging expenses, provided that the trip or expense type (e.g., meals or fuel) to which they relate are pre-approved by Client in writing or via e-mail.

c. Payment. BlueVector AI shall invoice Client for fees and reimbursable pre-approved costs on a monthly basis. Client shall pay BlueVector AI all invoiced amounts within 30 days after Client's receipt of the applicable invoice. All payments will be in US dollars. Bank fees, including wire transfer fees, charged by Client's bank are payable by Client. Invoice payments are not subject to set off or withholding by Client, other than for good-faith disputes as to fees due or reimbursable costs. Upon request, BlueVector AI will provide Client with receipts or other documentation verifying reimbursable expenses.

d. Late Payment. BlueVector AI will notify Client in the event Client has defaulted on its payment obligations hereunder. Should Client fail to cure the default within 5 business days'

receipt of such notice, the remaining unpaid balance shall accrue interest at 1.5% per month, or the highest rate allowed by law if lower, beginning as of the 6th business day after receipt of the notice of default. At such time, BlueVector AI may also suspend performance of Services until the outstanding amount is paid in full.

e. Taxes. Fees exclude, and Client will make all payments of fees to BlueVector AI free and clear of, all applicable sales, use and other taxes and all applicable export and import fees, customs, duties and similar charges. If Client is claiming tax-exempt status, Client will provide BlueVector AI with tax-exemption certificates prior to the start of any work. Client shall be solely responsible for obtaining and paying for any licenses and fees related to the receipt of the Services and the use of the Deliverables.

3. Standard of Performance

a. Acceptance. Client shall have 10 business days from delivery of a deliverable due under a SOW ("Deliverable") to inspect and test such Deliverable to determine whether the Deliverable conforms to the requirements of this Agreement and the applicable SOW ("Specifications") in all material respects (the "Test Period"). If a Deliverable does not so conform, Client must give BlueVector AI notice describing the non-conformity ("Rejection Notice") within the Test Period,. Upon receipt of a Rejection Notice, BlueVector AI will, as BlueVector AI's sole obligation and Client's sole and exclusive remedy, use commercially reasonable efforts to cause the Deliverable to conform to the Specifications in all material respects, or, if such remedy is commercially impracticable as determined by BlueVector AI in its reasonable discretion, refund Client a pro rata portion of fees paid for the non-conforming Deliverable based on the extent of the defect.

b. Warranty. BlueVector AI warrants that the Services will be performed in a workmanlike and professional manner by individuals who have skill and experience commensurate with the requirements of the Services, and that the Deliverables will conform to the Specifications in all material respects. BlueVectorAI warrants and represents that it will provides the Services in accordance with the more specific standards of performance as are included in the SOW. BlueVector AI will, as its sole obligation and Client's sole and exclusive remedy for any breach of the warranty set forth in this clause 3(b), and provided that Client notifies BlueVector AI in writing of the breach (specifying the breach in reasonable detail) within 60 calendar days following Client's acceptance of the Deliverable as described above, use commercially reasonable efforts at its own cost to cause the Deliverable to conform to the Specifications in all material respects, or, if such remedy is commercially impracticable as determined by BlueVector AI in its reasonable discretion, refund Client a pro rata portion of fees paid for the non-conforming Deliverable based on the extent of the defect.

c. Exclusions. The parties acknowledge that certain Deliverables including custom software and website development (identified as such in the SOW) will, by their nature and through no fault of the developer, involve collaboration, reconfiguration, subjective preferences,

testing and/or bug-fixing in the course of completion and improvement. As a result, in the case of T&M engagements the parties agree that any corrective work performed by BlueVector AI with respect to Deliverables of such a nature will be performed by BlueVector AI at the standard T&M rates listed in the applicable SOW.

D. Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 3, BlueVector AI DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE AND NONINFRINGEMENT, AND ANY IMPLIED WARRANTIES ARISING OUT OF COURSE OF PERFORMANCE OR COURSE OF DEALING. BlueVector AI WILL NOT BE RESPONSIBLE FOR NONCONFORMITIES ARISING FROM INACCURATE, INAUTHENTIC OR INCOMPLETE DATA OR INFORMATION PROVIDED BY CLIENT, OR FOR FAILURES OR DELAYS ARISING FROM LACK OF COOPERATION OF CLIENT. ADDITIONALLY, BlueVector AI DISCLAIMS ANY AND ALL RESPONSIBILITY FOR THE PROVISION, USE AND FUNCTIONALITY OF THIRD-PARTY SERVICES, SOFTWARE AND PRODUCTS, INCLUDING THE GOOGLE CLOUD PLATFORM.

4. Ownership

Subject to the terms and conditions of this Agreement, BlueVector AI hereby grants Client a worldwide, perpetual, non-exclusive, non-transferable, non-sublicenseable and royalty-free license and right to use the Deliverables solely for Client's own internal business purposes. All rights not expressly granted by BlueVector AI in this Agreement are reserved by BlueVector AI.

5. Indemnification and Insurance

a. To the extent permitted by law, each party (the "Indemnifying Party") shall indemnify, defend and hold harmless the other party, including its officers, directors, employees, agents, subcontractors and representatives (collectively, "Indemnified Parties") from and against all third-party suits, actions, liabilities, legal proceedings, claims, demands, losses, costs and expenses (including reasonable attorney's fees) for injury to or death of persons or loss of or damage to tangible property, in each case to the extent caused by the negligence or willful misconduct of the Indemnifying Party.

b. BlueVector AI will defend at its own expense any action against Client brought by a third party to the extent that the action is based upon a claim that any Deliverable infringes upon or misappropriates a United States patent or copyright of the third party. BlueVector AI will pay those costs and damages finally awarded against Client in any such action that are specifically attributable to such claim or those costs and damages agreed to in a monetary settlement of such action. If any Deliverable becomes, or in BlueVector AI's or the Client's opinion is likely to become, the subject of an infringement claim, BlueVector AI may, at its option, either (i) procure for Client the right to continue using the Deliverable, (ii) replace or modify the Deliverable so that it becomes non-infringing without any material loss of features or functionality, or (iii) accept return of the Deliverable and give Client a refund of the fees paid by Client for the Deliverable.

Notwithstanding the foregoing, BlueVector AI will have no obligation under this clause 5(b) or otherwise with respect to any infringement claim to the extent based upon (1) Client's specifications or requirements; (2) any use of the Deliverable not in accordance with this Agreement or for purposes not intended by BlueVector AI; (3) any use of the Deliverable in combination with other products, equipment, software, or data not supplied by BlueVector AI; or (4) any modification of the Deliverable by any person other than BlueVector AI. THIS PARAGRAPH STATES BlueVector AI'S ENTIRE LIABILITY AND CLIENT'S SOLE AND EXCLUSIVE REMEDY FOR INFRINGEMENT CLAIMS AND ACTIONS.

To the extent permitted by law, Client will indemnify, defend and hold BlueVector AI and its Indemnified Parties harmless from and against any third-party suits, actions, liabilities, legal proceedings, claims, demands, losses, costs and expenses (including reasonable attorney's fees) related to Client's use of Deliverables in a manner which violates any applicable law or regulation (including failure to obtain required licensing, permitting or other authorization) or which breaches any contract between it and a third party.

c. Each party's indemnification obligations are contingent upon the Indemnified Party (i) notifying the Indemnifying Party promptly in writing of the covered claim, (ii) giving the Indemnifying Party sole control of the defense thereof and any related settlement negotiations and (iii) cooperating and, at the Indemnifying Party's request and expense, assisting in such defense. Notwithstanding the foregoing, the Indemnified Party may participate at its own expense in the defense and any settlement discussions and will have the right to approve any settlement agreement that involves an admission of fault by the Indemnified Party or imposes non-monetary obligations on the Indemnified Party.

d. If BlueVector AI performs any Services on Client's premises, then BlueVector AI, at its sole cost and expense, will maintain the following insurance coverages during the Term (defined below): (i) general liability insurance with limits of at least $1,000,000 per occurrence, which coverage must include bodily injury, personal injury and broad form property damage; (ii) auto/vehicle liability insurance with limits of at least $1,000,000 per occurrence, which coverage must include bodily injury, personal injury and broad form property damage; and (iii) workers compensation insurance compliant with the applicable state's compensation laws. Upon request, BlueVector AI will list Client as an "additional insured" on its general liability policy and will furnish to Client certificates of insurance and such other documentation evidencing such policies.

6. Limitations of Liability

a. Notwithstanding any provision in this Agreement to the contrary, to the extent permitted by applicable law, each party's aggregate liability on all claims of any kind arising out of this Agreement, whether based on contract, warranty, tort, strict liability or otherwise, shall in no event exceed the BlueVector AI's insurance limit; provided, however, that this limitation of liability shall not apply to personal injury claims, Client's payment obligations, a party's indemnity obligations and/or a breach of Section 4 (Ownership).

b. In no event shall either party be liable under this Agreement for special, consequential, incidental, indirect, punitive or exemplary damages, including, but not limited to, any lost data, lost profits or costs of procurement of substitute goods or services, downtime costs, regardless of whether such damages are foreseeable or whether a party has been advised of the possibility of such damages and notwithstanding any failure of the essential purpose of this Agreement or any limited remedy hereunder.

7. Confidential Information

a. Certain information furnished or disclosed by BlueVector AI or Client (the "Disclosing Party") to the other (the "Receiving Party") in connection with the performance of their respective obligations under this Agreement may contain or reflect confidential information with respect to BlueVector AI or Client. "Confidential Information" means all information disclosed by the Disclosing Party to the Receiving Party under this Agreement that is clearly marked or otherwise clearly designated as "confidential" or that is or should reasonably be understood by the Receiving Party to be confidential. The Disclosing Party's Confidential Information shall not include any information that: (i) is or becomes part of the public domain through no act or omission of the other party; (ii) the Receiving Party can demonstrate was in its lawful possession prior to the disclosure and had not been obtained by it either directly or indirectly from the Disclosing Party; (iii) the Receiving Party can demonstrate was independently developed by the Receiving Party without access to the party's Confidential Information; or (iv) the Receiving Party can demonstrate was received from a third party without breach of any confidentiality obligation.

b. The Receiving Party agrees, for the Term and 3 years thereafter, to hold the Disclosing Party's Confidential Information in strict confidence, not to disclose such Confidential Information to third parties not authorized by the Disclosing Party to receive such Confidential Information, and not to use such Confidential Information for any purpose except to perform its obligations under this Agreement. The foregoing prohibition on disclosure of Confidential Information shall not apply to the extent Confidential Information is required to be disclosed by the Receiving Party as a matter of law or by order of a court, provided that: (i) the Receiving Party uses reasonable efforts to provide the Disclosing Party with prior notice of such obligation to disclose to allow the Disclosing Party to obtaining a protective order from such disclosure; and (ii) the Receiving Party only discloses that portion of Confidential Information which it reasonably believes, based on the advice of counsel, is required to be disclosed.

c. Each party acknowledges that a breach or threatened breach of this Section 7 could cause irreparable harm to the non-breaching party, the extent of which would be difficult to ascertain. Accordingly, each party agrees that, in addition to any other remedies to which a party may be legally entitled, the non-breaching party shall have the right to seek immediate injunctive or other equitable relief in the event of a breach of this Section 7 by the other party or any of its employees or agents.

8. Term and Termination

a. The term of this Agreement shall commence on the Effective Date and shall continue until terminated as set forth herein (the "Term").

b. Client may terminate this Agreement or any SOW at any time for its convenience upon 10 business days' notice (as of receipt date) to BlueVector AI.

c. Either party may terminate this Agreement or any uncompleted SOW by notice in the event the other party is in breach of any obligation under this Agreement or any SOW, which default is incapable of cure or which, being capable of cure, has not been cured within 30 calendar days after receipt of notice of such default.

d. Upon the expiration or termination of this Agreement for any reason, each party shall return or destroy the other's Confidential Information in its possession or control, at the other party's election and excluding any archival copies regularly stored on its computer systems. Upon termination of any SOW, Client shall pay BlueVector AI for all unpaid Services performed through the termination date (including fees, reimbursable costs and non-cancelable expenditures) which, in the case of a flat-fee arrangement, shall be a pro rata amount of the fee based on the extent of SOW completion. Expiration or termination of this Agreement for any reason shall not release either party from liability which, at such time, has already incurred to the other party, and nothing herein shall affect or be construed or operate as a waiver of the right of the party aggrieved by any breach of this Agreement to be compensated for any injury or damage resulting therefrom which is incurred before or after such expiration or termination.

e. Upon completion or termination of each SOW under which BlueVector AI personnel received access to Client's computer systems, servers or networks, Client shall promptly discontinue all such access (and provide BlueVector AI with verification thereof upon request) unless such access will be needed for a forthcoming SOW.

f. Except as otherwise expressly set forth herein, the following provisions will survive expiration or termination of this Agreement pursuant to their terms, together with any other provisions necessary for their construction and enforcement: Sections 2 (Price and Payment), 4 (Ownership), 5 (Indemnification and Insurance), 6 (Limitations of Liability), 7 (Confidential Information – this provision survives for three years after the termination date), 8 (Placement Fee), 9 (Term and Termination), 10 (Dispute Resolution) and 11 (Miscellaneous) and any other provision of this Agreement that by its terms would survive expiration or termination.

9. Dispute Resolution

a. In the event of any dispute arising out of or related to this Agreement ("Dispute"), the designated representatives of BlueVector AI and Client shall promptly confer and exert their good faith efforts to reach a reasonable and equitable resolution of such Dispute. If such representatives are unable to resolve such Dispute within 5 business days, the Dispute shall be referred promptly to the responsible senior management of each party for resolution. Neither party shall seek any other means of resolving any Dispute until both parties' responsible senior management have had at least 5 business days to resolve the Dispute. If the parties are unable to resolve the Dispute in accordance with the foregoing procedure, then either party may, at any time, deliver notice to the other party of its intent to submit the Dispute to arbitration, which notice shall specifically identify the issues to be arbitrated (the "Arbitration Notice").

b. Any Dispute submitted to arbitration hereunder shall be submitted to and resolved exclusively by arbitration conducted before the Judicial Arbiter Group in accordance with its own procedural rules. One arbitrator shall conduct the arbitration in Denver, Colorado. All proceedings shall be in the English language. The award rendered by the arbitrator shall be in writing and shall set forth in reasonable detail the facts of the Dispute, the decision of the arbitrator and his or her reason therefor. The award rendered in any arbitration hereunder shall be final and binding upon the parties and judgment thereon may be entered in any court having jurisdiction for its enforcement.

10. Compliance with Laws

BlueVector AI shall provide all of the Services in a timely and professional manner. BlueVector AI shall comply with all applicable federal, state and local laws, ordinances, regulations, and resolutions.

a. Affirmative Action. The Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, disability, or national origin. BlueVector AI agrees that it will take affirmative action to ensure applicants are employed, and employees are treated during employment without regard to their race, color, religion, sex, disability, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. BlueVector AI agrees to post in conspicuous places, available to employees and applicants for employment, notice to be provided by agency of the Federal government, setting forth the provisions of the Equal Opportunity laws.

b. Americans with Disabilities Act. Consultant shall comply with the applicable provisions of the Americans with Disabilities Act of 1990 as enacted and from time to time amended any other applicable federal, state, or local laws and regulations. A signed, written certificate stating compliance with the American with Disabilities Act may be requested at any time during the life of this Agreement or any renewal thereof.

c. Liability for Employment-Related Rights and Compensation. The Consultant is solely responsible for payment of all compensation, benefits, insurance, and any other employment-related rights of any person providing work under this Agreement. The Consultant must comply with all laws, regulations, municipal codes, and ordinances and other requirements and standards applicable to the Consultant's employees, including, without limitation, federal and state laws governing wages and overtime, equal employment, safety and health, employees' citizenship, withholdings, reports and record keeping. Accordingly, the Town shall not assume any liability for or direct payment of any salaries, wages, contribution to pension funds, insurance premiums or payments, workers' compensation benefits or any other amenities of employment to any of the Consultant's employees or any other liabilities whatsoever, unless otherwise specifically provided herein.

The Town will not include the Consultant as an insured under any policy the Town has for itself. The Town shall not secure nor provide any insurance coverage or employment benefits of any kind or type to or for the Consultant or the Consultant's employees, subconsultants, subcontractors, agents, or representatives, including but not limited to coverage or benefits related to: local, state, or federal income or other tax contributions, FICA, workers' compensation, unemployment compensation, medical insurance, life insurance, paid vacations, paid holidays, pension or retirement account contributions, profit sharing, professional liability insurance, or errors and omissions insurance. The following disclosure is provided in accordance with Colorado law:

CONSULTANT ACKNOWLEDGES THAT NEITHER IT NOR ITS AGENTS OR EMPLOYEES ARE ENTITLED TO UNEMPLOYMENT INSURANCE BENEFITS UNLESS CONSULTANT OR SOME ENTITY OTHER THAN THE TOWN PROVIDES SUCH BENEFITS. CONSULTANT FURTHER ACKNOWLEDGES THAT NEITHER IT NOR ITS AGENTS OR EMPLOYEES ARE ENTITLED TO WORKERS' COMPENSATION BENEFITS. CONSULTANT ALSO ACKNOWLEDGES THAT IT IS OBLIGATED TO PAY FEDERAL AND STATE INCOME TAX ON ANY MONEYS EARNED OR PAID PURSUANT TO THIS AGREEMENT. To the maximum extent permitted by law, the Consultant waives all claims against the Town for any employment benefits on behalf of the Consultant's employee

11. Records and Ownership of Documents

      a. Retention and Open Records Act Compliance. BlueVector AI shall retain, store, and destroy all records related to the provision of Services hereunder, including public records as defined in the Colorado Open Records Act ("CORA"), and records produced or maintained in accordance with this Agreement, in accordance with the Town's records retention and disposal policies and in accordance with C.R.S. § 24-73-101. Those records which constitute "public records" under CORA are to be at the Town offices or accessible and opened for public inspection in accordance with CORA and Town policies. Public records requests for such records shall be processed in accordance with Town policies. Consultant agrees to allow access by the Town and the public to all documents subject to disclosure under applicable law. Consultant's willful failure or refusal to comply with the provisions of this Section shall result in the immediate termination of this Agreement by the Town. For purposes of CORA, the Town Clerk is the custodian of all records produced or created as a result of this Agreement. Nothing contained herein shall limit BlueVector AI's right to defend against disclosure of records alleged to be public.

      b. Town's Right of Inspection. The Parties agree that the Town has the right to request that BlueVector AI provide to the Town a list of all records of BlueVector AI related to the provision of Services hereunder retained by BlueVector AI in accordance with this subsection and the storage location and method. Consultant agrees to allow inspection at reasonable times by the Town of all documents and records produced or maintained in accordance with this Agreement. Ownership. Any work product, materials, data and documents produced or acquired by BlueVector AI pursuant to this Agreement shall become property of the Town of Keystone upon

delivery and shall not be made subject to any copyright unless authorized by the Town in writing. Other materials, methodology and proprietary work used or provided by BlueVector AI to the Town not specifically created and delivered pursuant to the Services outlined in this Agreement may be protected by a copyright held by BlueVector AI and BlueVector AI reserves all rights granted to it by any copyright. The Town shall not reproduce, sell, or otherwise make copies of any copyrighted material, subject to the following exceptions: (1) for exclusive use internally by Town staff and/or Town contractors; or (2) pursuant to a request under the Colorado Open Records Act, C.R.S. § 24-72-203, to the extent that such statute applies; or (3) pursuant to law, regulation, or court order. BlueVector AI waives any right to prevent its name from being used in connection with the Services.

     c. Return of Records to Town. At the Town's request, upon expiration or termination of this Agreement, BlueVector AI shall return all records of BlueVector AI related to the provision of Services hereunder, including public records as defined in the Colorado Open Records Act ("CORA") C.R.S. §§24-72-200.1 et.seqᵢ, and records produced or maintained in accordance with this Agreement. BlueVector AI is required to return the records in a reasonable format and with an index as determined and requested by the Town.

Data Protection and Handling. Consultant shall ensure that all Town documents in the possession of Consultant or any subcontractors are protected and handled in accordance with the requirements of this Agreement, including the requirements of any exhibits or addenda hereto.

12. Personally Identifiable Information.

     a. Definition. "PII" means personally identifiable information including, without limitation, any information maintained by the Town about an individual that can be used to distinguish or trace an individual's identity, such as social security number; a personal identification number; a password; a pass code; an official state or government-issued driver's license or identification card number; a government passport number; date and place of birth; mother's maiden name; and any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information. PII includes, but is not limited to, all information defined as personally identifiable information in C.R.S. § 24-73-101 Safeguarding PII. If Consultant or any of its subcontractors will or may receive PII under this Contract, Consultant shall provide for the security of such PII, in a manner and form acceptable to the Town, including, without limitation, Town non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Consultant shall be a "Third-Party Service Provider" as defined in C.R.S. § 24-73-103(1)(i), and shall maintain security procedures and practices consistent with C.R.S. § 24-73-101 et.seq.

     b. Destruction of PII. If Consultant or any of its subcontractors will or may receive PII under this Contract, Consultant shall provide for the destruction and disposal of electronic

media and print media in accordance with the Town's policy and practice and C.R.S. § 24-73-101(1).

       c. Incident Notice and Remediation. If BlueVector AI becomes aware of any Incident, Consultant shall notify the Town immediately and cooperate with the Town regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the Town. Unless BlueVector AI can establish that Consultant and its subcontractors are not the cause or source of the Incident, Consultant shall be responsible for the cost of notifying each person who may have been impacted by the Incident. After an Incident, Consultant shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the Town, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the Town at no additional cost to the Town. The Town may adjust or direct modifications to this plan in its sole discretion, and Consultant shall make all modifications as directed by the Town. If Consultant cannot produce its analysis and plan within the allotted time, the Town, in its sole discretion, may perform such analysis and produce a remediation plan, and Consultant shall reimburse the Town for the actual costs thereof. The Town may, in its sole discretion and at Consultant's sole expense, require Consultant to engage the services of an independent, qualified, Town-approved third party to conduct a security audit. Consultant shall provide the town with the results of such audit and evidence of Consultant's planned remediation in response to any negative findings. As used in this Section, "Incident" means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any communications or information resources of the Town, which are included as part of the Work, as described in §§24-37.5-401, et. Seq., C.R.S. As used in this Section, the term "Incident" includes, without limitation, (i) successful attempts to gain unauthorized access to a Town system or Town Records regardless of where such information is located; (ii) unwanted disruption or denial of service; (iii) the unauthorized use of a Town system for the processing or storage of data; or (iv) changes to Town system hardware, firmware, or software characteristics without the Town's knowledge, instruction, or consent.

13. Compliance with Digital Accessibility Standards.

       a. The Town, as a public entity, is required to comply with Colorado HB 21-1110 (Colorado Laws for Persons with Disabilities), amending legislation, the applicable Office of Information Technology, Technology Accessibility Rules 8 CCR 1501-11 and federal regulations related to digital accessibility (together "digital accessibility laws and regulations"). As such, BlueVector AI shall deliver or perform the Services in a manner that is compliant with the digital accessibltiy laws and regulations and the most recently adopted W3C, Web Content Accessibility Guidelines (WCAG) by the Colorado Office of Information Technology, which as of the effective date is WCAG 2.1 level AA ("WCAG Standards"). The Town may submit a written request to BlueVector AI asking BlueVector AI to provide documentation that the Services comply with the WCAG Standards. Within seven days of the delivery of a written request, BlueVector AI shall deliver to the Town, an accessibility conformation report, using the latest version of the Voluntary Product

Accessibility Template (VPAT®) published by the Information Technology Industry Council, documenting compliance with WGAG Standards. The report should include a written description of the compatibility of the product/service with commonly used assistive technology products (e.g., JAWS, NVDA, ZoomText, MAGic, Dragon NaturallySpeaking) and a description of the process used to evaluate such compatibility.

b. To the extent BlueVector AI's Services permit the Town or intended users to post Content, BlueVector AI shall ensure that the dissemination of Content for access, review, and/or use of Content in a format that conforms to the WCAG Standards and does not interfere with the ability of Content providers to post such Content in a format that conforms to the WCAG Standards.

c. BlueVector AI shall maintain and retain, subject to review by the Town, full documentation of the measures taken by BlueVector AI to confirm compliance with the WCAG Standards. If BlueVector AI claims that delivered Services comply with the applicable WCAG Standards, and it is later learned that any part of BlueVector AI's Services is not in compliance with the WCAG Standards, the Town will inform BlueVector AI in writing of the noncompliance, and BlueVector AI, at no cost to the Town, agrees remediate the noncompliance within the time-period specified by the Town. If BlueVector AI fails to timely make the remediation, the Town may, in addition to any other rights or remedies: (a) immediately terminate the agreement without the required ten (10) days notice; and/or (b) perform, or have performed, any necessary remediation for compliance with the WCAG Standards, and BlueVector AI shall promptly reimburse the Town the cost for remediation of noncompliance by BlueVector AI.

14. Miscellaneous

a. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado without regard to its principles of conflicts of law. The parties expressly exclude the application of the United Nations Convention on the International Sale of Goods.

b. Article X, Section 20/TABOR. The Parties understand and acknowledge that the Client is subject to Article X, § 20 of the Colorado Constitution ("TABOR"). The Parties do not intend to violate the terms and requirements of TABOR by the execution of this Agreement. It is understood and agreed that this Agreement does not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, therefore, notwithstanding anything in this Agreement to the contrary, all payment obligations of the Town are expressly dependent and conditioned upon the continuing availability of funds beyond the term of the Town's current fiscal period ending upon the next succeeding December 31. Financial obligations of the Town payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the rules, regulations, and resolutions of Town of Keystone, and other applicable law. Upon the failure to appropriate such funds, this Agreement shall be terminated.

c. Interpretation. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties jointly prepared it.

d. Integration and Amendment. This Agreement, together with any attachments and exhibits hereto (including all SOWs), constitutes the entire agreement between the parties regarding the subject matter hereof and supersedes all prior or contemporaneous agreements, understandings and communications, whether written or oral, including, without limitation, letters of intent, purchase orders and proposals. This Agreement and each SOW shall not be modified except by a subsequently dated written amendment signed on behalf of Client and BlueVector AI by their duly authorized representatives.

e. Waiver. All waivers must be in writing. Any waiver or failure to enforce any provision of this Agreement or a SOW on one occasion will not be deemed a waiver of any other provision or of such provision on any other occasion.

f. Notice. All notices and other required contractual communications shall be in writing, and shall be sent to the addresses set forth the applicable party's signature block below. Notices shall be given: (i) by personal delivery to the other party; (ii) by facsimile, with electronic delivery confirmation received; (ii) by registered or certified mail, return receipt requested; or (iv) by express courier (e.g., DHL, Federal Express, etc.). Notices shall be effective and shall be deemed delivered: (1) if by personal delivery, on the date of the personal delivery; (2) if by facsimile, on the date stated in the electronic confirmation, if delivered during normal business hours (8:00 a.m. to 5:00 p.m. at recipient's location) and, if not delivered during normal business hours, on the next business day following delivery; (3) if solely by mail, on the date of receipt as stated on the return receipt; or (4) if by express courier, on the date signed for or rejected as reflected in the courier's delivery log.

g. Independent Contractor. Each party is an independent contractor. Nothing in this Agreement shall be construed to create a partnership, joint venture or agency relationship between the parties. Each party shall be solely responsible for payment of all compensation owed to its employees, as well as all employment-related taxes.

h. Severability. If any term or provision of this Agreement is determined to be invalid or unenforceable for any reason, it shall be adjusted rather than voided, if possible, to achieve the intent of the parties to the maximum extent possible. In any event, all other terms and provisions shall be deemed valid and enforceable to the maximum extent possible.

i. Assignment. Neither party may assign its rights or delegate its obligations under this Agreement without the prior written consent of the other party (not to be unreasonably withheld or delayed), except to a parent, affiliate, or subsidiary, or to a successor, whether by way of

merger, sale of all or substantially all of its assets or otherwise. Any attempted assignment of this Agreement not in accordance with this clause shall be null and void.

j. Force Majeure. Neither party shall be liable for any breach of this Agreement or any SOW, other than any default in payment obligations, for any delay or failure of performance resulting from any cause beyond such party's reasonable control, including but not limited to, the weather, civil disturbances, network delays or failures, acts of civil or military authorities, or acts of God.

k. Counterparts. This Agreement may be executed in 2 or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. Signatures to this Agreement transmitted by facsimile, email, portable document format (.pdf) or by any other electronic means intended to preserve the original graphic and pictorial appearance of this Agreement shall have the same effect as the physical delivery of the paper document bearing original signatures.

IN WITNESS HEREOF, this Agreement has been executed by the parties hereto through their duly authorized representatives as of the Effective Date.

Town of Keystone

_____
Town Manager

5/30/2024
_____
Date

BlueVector, AI

_____
CEO

06 / 18 / 2024
_____
Date

Statement of Work

Town of Keystone

12 Month Support & Maintenance Services

Contents

Statement of Work

Customer Name   Town of Keystone

Customer Address TBD

SOW #   1180

Project Overview

BlueVector AI is pleased to provide this Statement of Work to the Town of Keystone ("Customer" or "Keystone"). This SOW and any Attachments hereto are subject to the terms and conditions of the Professional Services Agreement between the parties on 5/28/24.

Project Background

The Town of Keystone was recently established as its own governmental entity and is seeking a technology platform to host their website and a number of applications crucial to thier operations. This contract will provide support and maintenance services for the SnapApp platform built on Google Cloud and grant access to BlueVector AI resources for consulting and configuration of the platform. BlueVector AI will provide on-going support for ad-hoc enhancements and refinements as well as consulting services on platform best practices and development methodologies. It will also provide maintenance and platform upgrades on a quarterly basis.

Support and Enhancements Scope (12 Month Term)

BlueVector AI will engage with the Customer to implement the services described below:

Defect Resolution

BlueVector AI will provide Tier 2 support which is defined as the resolution of solution defects that have been first triaged and validated by the Customer team ("Tier 1 team") against a

delivered user story where the defined acceptance criteria are no longer met. BVAI will also recreate these defects to add additional details to the user stories where needed.

Requests will be submitted by the Customer Tier 1 team through email or the BlueVector AI project tracking tool, or when required, a direct telephone call can be coordinated. Our technical support staff is available Monday through Friday, 9:00 a.m. to 5:00 p.m. CDT. BlueVector AI will respond to all requests within the schedule below and provide an estimated time for completion of the requested work or a request for further clarification on the request to facilitate resolution. BlueVector AI will endeavor to complete the work as soon as possible but does not guarantee any specific resolution time. All BlueVector AI and Google technical support personnel will be available via Email, Google Chat, or scheduled Google Meet. The table below details the response schedule:

Severity	Description of Severity	Response Time
Priority 1	System down or a critical defect inhibiting a large number of users from performing key tasks with no workarounds.	2 hours
Priority 2	An important defect that significantly impacts the performance of a large number of users or a critical issue that impacts a small number of users with no workaround.	1 Business Day
Priority 3	Small defects that impact general usability or an important defect that impacts a small number of users.	2 Business Days

Enhancements

BlueVector AI will provide enhancement services to ensure the application stays current with the Customer's needs. Enhancement requests will be reviewed and the recommended solution along with estimated efforts will be communicated to the Customer for approval. The time required to assess the request is part of the Enhancement effort.

- Functional changes that can be delivered in under 40 hours of effort. Larger efforts that require a project team and Project Management and/or Technical Architecture will be handled in future project phases.
- Consulting on SnapApp development best practices and methodologies

Google Cloud
Partner

bluevector.ai

- Assistance with SnapApp configuration and interface design
- Data schema build and maintenance services
- Project management and coordination including standups, communication of status of defects, support status, and resource management
- While not a guarantee, BVAI consultants strive to respond to all requests the same business day to confirm receipt. Resolution time will vary based on the effort required, priority, and support backlog.

Term
- Fixed fee retainer for a 12 month term
- Up to 80 hours of consulting services total
- All time entered against the project will be billed in 15-minute increments

Product Maintenance Scope

BlueVector AI will provide services to ensure that the production application is available and performing as expected, which will include:
- Resolve defects found in the core SnapApp application. A defect is defined as a core feature within the product (e.g. views, HITL, data importer) that produces an error message or is not working as documented. This does not include any specific configuration or code added by the Customer.
- Maintenance of all Google Cloud services related to the SnapApp solution including Cloud Run, Firebase Authentication, Cloud SQL, Cloud Storage, Document AI, and Cloud Functions.
- Quarterly upgrades to the SnapApp application. These will be coordinated with the Customer and implemented within the Customer's lower-level environment (dev) so the Customer can incorporate these into their own release cycles in upper-level environments (UAT and Prod).

BlueVector AI Resources

Resource	Responsibilities
Project Manager	Coordinate multiple work efforts, ensuring Customer's business objectives are met. Manage project resources to ensure quality, completeness, and timeliness of all tasks. Conduct and document the project schedule, project status meetings, sprint planning, and project review meetings. Deliver weekly status reports. Evaluate Customer priorities and execute change control processes to ensure the Customer's needs are met.
Cloud Consultant	Evaluate Customer priorities throughout the project and execute change control process to ensure the project meets the Customer's requirements Manage preparation and communication of deliverables documentation Configuring the SnapApp solution User Story Creation Unit Test Creation and Unit Testing Help Conduct Administrator and Train-the-Trainer or End-User Training
Cloud Developer	Develop custom code and integrations. Build and execute unit tests. Document code to the appropriate level of detail.

Customer Obligations

BlueVector AI's assumptions for cost and delivery schedule are based on your active and timely participation throughout the project. You will be responsible for certain key project tasks, deliverables, and timely reviews of BlueVector AI work to maintain the project schedule and budget. If these obligations are not fulfilled, a Change Order to address the resulting budgetary impact will be required. Your expected involvement includes these key responsibilities:

- Assign a Product Owner as the owner of the Product Backlog, as described herein, that has this project as their top priority for its duration. Because of the critical nature of this role, it is understood that a change in Product Owner will cause a material delay in the project.

- Assign a Customer Project Manager as the single point of contact for issue resolution, activity scheduling, and information collection and dissemination.

- Conduct User Acceptance Testing as described in this SOW.

- Answer questions from BlueVector AI within 24 hours. The Customer agrees that failure to perform its material obligations described in this SOW, including review of deliverables or delayed or changed decisions, that result in a project delay will increase the project cost through a change order.

- Provide access to all sample data and documents necessary for the development and testing work to be completed.
- Purchase all required software or hardware directly from the appropriate vendor, and provide technical support as necessary.

Customer Resources

The Customer will assign appropriately skilled resources to fulfill these roles:

Resource	Responsibilities	Involvement
Internal Project Leader	This individual will review and approve all key issues that require management decisions. This person will act as a liaison to BlueVector AI. Their role will be to coordinate internal Customer project activities and escalate issues that require management decisions.	Full-time during Planning and Workshops; 20% involvement in subsequent activities
Subject-Matter Experts	Provide detailed information on business and technical requirements as needed to complete the project.	Fully available during the requirements gathering workshop and UAT. This team should be small while still adequately covering all areas in the scope of the project.
System Administrator	Participate as part of a project team to assist with the implementation (setup and customization) and provide ongoing support of the application	25%

Assumptions

- Any required production deployment procedures or documentation by Customer have been communicated to BlueVector AI and are identified above.

- The Customer will internally manage the feedback and approval process for all internal stakeholders/departments and external agencies, including gathering consolidated feedback for all elements requiring approval.

- To the extent services are to be performed at Customer's facilities, Customer will provide to BlueVector AI at no charge appropriate computer hardware and software, broadband internet access, communications resources, system and user documentation, office space and supplies, and a safe and non-hostile work environment.

Google Cloud
Partner

bluevector.ai

User Acceptance Testing

This Agile project timeline is based on the assumption that the Customer will contribute to, and review deliverables rapidly. Starting at Sprint Review, the Customer will have three (3) business days ("Evaluation Period") to test newly completed User Stories/Deliverables and to identify any Defects, otherwise they will be considered accepted. BlueVector AI will provide notice prior to the end of the Evaluation Period. If the Customer cannot complete this feedback within three days, they must provide written notice to BlueVector AI. Following receipt of this notification, the Customer and BlueVector AI will jointly agree upon a completion date for that item and BVAI will provide written confirmation of the new target completion date. Within the Evaluation Period, the Customer will provide specific and comprehensive feedback on all changes in writing. BlueVector AI will correct the Defect as soon as reasonably practicable, where upon the Customer will receive an additional Evaluation Period commencing upon its receipt of the corrected User Story to verify that the Defect has been corrected. All requested changes that are not Defects shall be included as User Stories in the Product Backlog and prioritized by the Customer Product Owner.

BlueVector AI will provide best practice recommendations to the Customer on test environment, test scenario development, and resource assignment. The Customer will provide BlueVector AI with such assistance as may reasonably be required to verify the existence of and correct a reported Defect. All defects will be documented in BlueVector AI's Asana project management software with an associated level of priority. These priority levels are highlighted in the below table. The Customer and BlueVector AI will jointly agree upon defects to be remediated before solution deployment based on priority level.

Customer and BlueVector AI define acceptance of the Requirement/User Story within the Evaluation Period as:

- User Story meets the acceptance criteria that were defined during Sprint Planning.
- User Story passes all relevant prior acceptance criteria, verifying that no regression has occurred.

Dynamic Scope and Change Control

Both parties recognize that there may be modifications to the Project Scope from time to time during the project. Changes that result in an increase in project scope will require either (a) elimination or simplification of other requirements or User Stories to offset the increase, or (b) a Change Order to increase the Project's cost.

Change Process - For each scope change and associated new User Story requested by the Product Owner, BlueVector AI will estimate the cost and schedule impact of the change or new User Story. The Product Owner will then either (a) accept the new User Story into the Product Backlog and decide which User Story(ies) shall be removed or simplified to offset the increase (b) reject the change or new User Story, or (c) request revisions to the change or new User Story for reconsideration.

Changes to Fixed Fee Scope - In addition to the Change Process above, in the case of a Fixed Fee contract or any scope item or User Story which the Parties have agreed is subject to a fixed delivery fee, all changes will require execution of a Change Order by both parties prior to commencement of such work by BlueVector AI.

Governance

- Steering Committee - Customer and BlueVector AI will establish a Steering Committee from key members from both organizations to monitor risks, discuss relationship health, and identify any issues in need of dispute resolution. The committee will meet on a monthly basis at a minimum. BlueVector AI will involve the Governance Lead, Engagement Manager, and the BlueVector AI Project Manager. The Customer will involve the Executive Sponsor, Product Owner, Customer Project Manager, and other relevant stakeholders.

- Status Reporting - The BlueVector AI Project Manager will provide a weekly status report in writing to the Customer Project Manager and Product Owner. The weekly report will include the percentage of completion for each User Story, the pass rate for User Story Tests, key Project delivery milestone status, an estimated completion date for each milestone, as well as other information relevant to the delivery of the Project as may be agreed upon between the parties. This report will track action items and escalations between the BlueVector AI Project Manager and Customer Project Manager and Product Owner. A weekly project status

call will be set up between the BlueVector AI Project Manager and the Customer Project Manager to review the content of the weekly status report.

- Tools - BlueVector AI recommends that our joint project teams use our Project Management tool for sprint planning, User Stories, issues, and defect tracking. The team will mutually agree to tools for document management, source control, collaboration, and other support functions during the course of the Project.

Escalation Process

The following procedure will be followed if a conflict between the parties relating to a party's performance of its obligations ("Conflict") arises during the performance of the SOW Services.

When a Conflict arises, the BlueVector AI and the Customer Project Managers will first strive to work out the problem internally;

- Level 1: If the parties' project managers cannot resolve the Conflict within two (2) working days, the Customer Executive Sponsor and BlueVector AI's Governance Lead will meet to attempt to resolve the issue;

- Level 2: If the Conflict is not resolved within three (3) working days after being escalated to Level 1, Customer's Executive Sponsor will meet with the BlueVector AI Engagement Manager & Manager of Professional Services to attempt to resolve the issue;

- Level 3: If the Conflict remains unresolved within three (3) working days, then the conflict will be referred to Customer's SVP or CIO and BlueVector AI's CEO (the "Lead Executives") for their review and resolution.

In all Conflicts, the parties agree to use reasonable good faith efforts to resolve such Conflicts in accordance with this escalation procedure. The parties will not (i) initiate legal proceedings for the resolution of the Conflict or (ii) exercise a right to terminate this SOW based upon the Conflict, until the earlier of (a) the Lead Executives' joint written conclusion that amicable resolution through continued negotiation is unlikely, (b) thirty (30) days after the written referral to such Lead Executives was made, or (c) thirty (30) days before the limitations period governing any such cause of action relating to such Conflict would expire. During any Conflict resolution, BlueVector AI agrees to provide the SOW Services to the extent practicable pending resolution of the Conflict.

Schedule

The timeline for this project is 52 weeks from kickoff to final contract termination. The actual start date will be jointly determined after the Statement of Work and contracts are fully executed.

Fixed Fee Services

BlueVector AI is proposing the following fees based on the scoped work in this proposal. The total cost for the services outlined in this Statement of Work are $40,000. The total amount of this contract will be invoiced upon contract signature. No travel or expenses are anticipated as part of this engagement.

Expiration: This proposal is valid for 30 days.

Travel and Expenses: Included in the costs listed above.

Google Cloud Consumption Billing

BlueVector AI will invoice the Customer monthly using a pay-as-you-go model for the Google Cloud Platform usage. The Customer will be notified on the first day of each month with a breakdown of the cloud consumption usage and costs for the previous month with an associated invoice.

Signature and Terms

By signing below, BlueVector AI and the Customer acknowledge and agree to the terms and conditions set forth in the Professional Services Agreement and this SOW. The Effective Date of this SOW shall be the date executed by both parties.
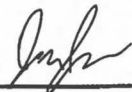
Town of Keystone

(signature)

Signature

Town Manager

Title

5/30/2024

Date

BlueVector AI, LLC

(signature)

Signature

Vice President

Title

6/18/2024

Date

bluevector.ai

Statement of Work

Town of Keystone

STR, Tobacco & Liquor Licensing

Contents

Statement of Work

Customer Name   Town of Keystone

Customer Address TBD

SOW #   0185

Project Overview

BlueVector AI is pleased to provide this Statement of Work to the Town of Keystone. This SOW and any Attachments hereto are subject to the terms and conditions of the Professional Services Agreement between the parties on 5/28/2024.

Project Background

The Town of Keystone has a unique opportunity to build a digital-first Town and differentiate its community from more established Towns. To do this, they are looking for a technology solution for their website and key applications that:

- Provides a great Citizen User Experience. Specifically, a standard design across all services that is engaging, intuitive, and easy to navigate.
- Meets Federal, State, and Local government Security & Compliance requirements.
- Meets the Town's current feature requirements with the ability to expand to address new requirements as they come

The initial launch of the website and associated applications must provide the following features:

- Licensing for Short Term Rentals (STR), Alcohol, and Tobacco
- Complaints Tracking

The scope of services for this effort will be structured in the following work streams:

- Workstream 1: Setup Google Cloud and Install SnapApp
- Workstream 2: Configure the SnapApp solution
- Workstream 3: Final Testing, Training and Production Deployment

Google Cloud
Partner

bluevector.ai

Project Scope

BlueVector AI will engage with the Customer to implement the services described below:

Workstream 1: Setup Google Cloud and Install SnapApp

- Host project kickoff to start the engagement, set expectations and project execution strategy
- Set up two(2) Google Cloud Environments, one for Staging and one for Production.
- Install SnapApp in both environments

Workstream 2: Configure the SnapApp solution

- Create and refine user stories with a functional description, acceptance criteria, and priority.
- Create the Technical Design Document (TDD) document to include the technical design for this phase of the project including:
  - Data schema
  - Document ingest pipelines
  - Web page views for adding, updating, and managing license applications
  - Internal assignment and alerts
  - Security Roles and Permissions
- Set up two (2) SnapApp Applications: a Citizen Portal and a Town Employee portal.
- Configure up to three (3) languages for automatic Google Translation for all Citizen Portal user interface field labels. Data will be stored and presented in the language with which it was entered.
- Test for WCAG AA Compliance. Report any exceptions to the Town of Keystone.
- Set up one (1) Google Cloud Storage bucket for document ingest and storage
- Configure the SnapApp Data Model (objects and fields) to support the following objects:
  - Users
  - Contacts (Citizens)
  - Licenses
    - Short Term Rentals (STR)
    - Alcohol
    - Tobacco
  - Complaints
- STR, Alcohol, and Tobacco Licenses
  - Configure (3) Licenses application intake forms (STR, Alcohol, Tobacco)
    - Up to one form per license type
  - Configure License review for each license type
  - Create three (3) automated emails for each license type:
    - Submission, Acceptance, Rejections
  - Generate a license certificate for each license type (3)
  - Setup Payment Processing for Licenses
  - Create an STR Map
  - Create an STR compliance dashboard
- Complaints
  - Create a form to submit complaints
  - Create a view to manage submitted complaints
  - Create an automated response to complaint submission

- Configure SnapApp Application Security Roles and Sharing Rules supporting up to five (5) personas: Admin, Staff Roles, Reviewers, Citizen, Other
- Configure SendGrid for sending and receiving emails and SMS messages
- Configure the solution to capture inbound emails automatically, showing as records in SnapApp.
  - Configure up to three (3) Email Templates in SnapApp. The customer will provide content for each email template. The Customer can configure additional models as required.
- License Renewal
  - Add one(1) alert for the public portal to remind users of an approaching renewal period
  - Add a renewal workflow with one create view to allow users to submit a pre-populated renewal form with previous license period information
    - Upon renewal submission, save the renewal application as a separate application to allow for historical application management
- Data Migration
  - Migrate STR Records. Customer/County will provide STR records in a comma-separated text file. BVAI will provide templates and guidance on how the extracted data should be formatted. BVAI will import the resulting CSV files into the SnapApp solution.

Workstream 3: Final Testing, Training and Production Deployment

- Deploy the Solution to a non-production environment for Customer testing
- Work jointly with the Customer to facilitate end-to-end user acceptance testing in order to ensure the definition of done has been met for each user story. Includes application bug fixes/tweaks. Manage user acceptance testing by the Customer and document the results.
- Resolve defects and re-test with the Customer.
- Wrap-up project with the Customer; review deliverables and confirm project closure

Project Management Tasks

- Monitor project work items, accomplishments, risk, issues, budget and schedule regularly to ensure the project stays on track.
- Perform weekly status meetings, development standups and other customer consultations with project team to ensure project timelines and requirements are met
- Assumptions:
  - Any material changes in project scope resulting from increased functionality, software customization, or other additional requirements outside of the original project scope must be mutually agreed upon by customer and BlueVector AI through a formal change control process.
  - Work will not be commenced on new requirements outside of the original budget and scope without written approval from both customer and BlueVector AI prior to the performance of the work.

Out of Scope

These are application features that are out of scope for this project. BlueVector AI can deliver these features in a future phase of the project.

- Keystone Website content

- Screen scraping of STR sites
- Licensing call center
- Integration with other systems
- Commission Appointments/Applications
- Tax collections
- Job Postings
- Public Records Search and Request
- Board and Commission Tracking
- Building Permits
- Inspections
- Any functionality not specified above.

Delivery Approach

BlueVector AI's proven process for quickly and effectively delivering Google projects leverages the strengths of both Waterfall and Agile methodologies. We solidify the project's foundation through a thorough upfront Waterfall phase, where requirements are meticulously gathered, analyzed, and documented. This detailed blueprint ensures everyone is aligned on the target and mitigates scope creep during the following build and user acceptance testing sprints. Once the requirements are locked, we shift gears to Agile for the build cycles. Here, we break down development into sprint cycles (typically 2 to 3 weeks), allowing for rapid prototyping and demos of completed functionality shared at strategic increments. These demos serve as valuable touchpoints to showcase progress, gather feedback, and foster alignment among stakeholders, tying delivered work products back to the design blueprints. This iterative approach is ideal for short project cycles, as it promotes responsiveness and adaptability while still adhering to the predetermined requirements established in the Waterfall phase.

Our Agile methodology extends beyond development completion, seamlessly transitioning into dedicated User Acceptance Testing ("UAT") sprint cycles focused on requirement confirmation and user experience refinement. This phase serves as a crucial final validation step, ensuring the delivered solution aligns with the defined requirements documented in the approved design documents. Emphasis on upfront requirements gathering and validation ensures alignment with

client expectations early on, minimizing the need for significant changes during the testing phase.

During our Validate Phase, we welcome insightful defect reports and feedback that refine the user experience. Any substantial changes are added to our project backlog wish list and carefully evaluated through a defined change control process. This approach helps to safeguard the original project scope and go-live timelines while providing the opportunity for new ideas to be incorporated through a change order with full transparency to any changes in the project plan. These new ideas can also be saved for a downstream project or phase.

Ultimately, UAT culminates in a confident, collaborative sign-off, paving the way for a jointly agreed-upon deployment plan. This ensures a smooth go-live, where your final vision is put into the hands of your end users while the Delivery team is available to support during the hypercare cycle.

Our hybrid approach offers the best of both worlds: upfront clarity and focus from Waterfall, combined with Agile's nimbleness and responsiveness, making it a perfect fit for our fast-paced project cycles.

Customer Obligations

BlueVector AI's assumptions for cost and delivery schedules are based on your active and timely participation throughout the project. You will be responsible for certain key project tasks, deliverables, and timely reviews of BlueVector AI work to maintain the project schedule and budget. If these obligations are not fulfilled, a Change Order to address the resulting budgetary impact will be required. Your expected involvement includes these key responsibilities:

- Assign a Product Owner as the owner of the Product Backlog, as described herein, that has this project as their top priority for its duration. Because of the critical nature of this role, it is understood that a change in Product Owner will cause a material delay in the project.

- Assign a Customer Project Manager as the single point of contact for issue resolution, activity scheduling, and information collection and dissemination.

- Conduct User Acceptance Testing as described in this SOW.

- Answer questions from BlueVector AI within 24 hours. The Customer agrees that failure to perform its material obligations described in this SOW, including review of deliverables or delayed or changed decisions, that result in a project delay will increase the project cost through a change order.
- Provide access to all sample data and documents necessary for the development and testing work to be completed.
- Purchase all required software or hardware directly from the appropriate vendor, and provide technical support as necessary.
- Share templates for certificate generation

Customer Resources

The Customer will assign appropriately skilled resources to fulfill these roles:

Resource	Responsibilities	Involvement
Internal Project Leader	This individual will review and approve all key issues that require management decisions. This person will act as a liaison to BlueVector AI. Their role will be to coordinate internal Customer project activities and escalate issues that require management decisions.	Full-time during Planning and Workshops; 20% involvement in subsequent activities
Subject-Matter Experts	Provide detailed information on business and technical requirements as needed to complete the project.	Fully available during the requirements gathering workshop and UAT. This team should be small while still adequately covering all areas in the scope of the project.
System Administrator	Participate as part of a project team to assist with the implementation (setup and customization) and provide ongoing support of the application	25%

Assumptions

- Any required production deployment procedures or documentation by Customer have been communicated to BlueVector AI and are identified above.
- The Customer will internally manage the feedback and approval process for all internal stakeholders/departments and external agencies, including gathering consolidated feedback for all elements requiring approval.

Google Cloud Partner

bluevector.ai

- To the extent services are to be performed at Customer's facilities, Customer will provide to BlueVector AI at no charge appropriate computer hardware and software, broadband internet access, communications resources, system and user documentation, office space and supplies, and a safe and non-hostile work environment.

User Acceptance Testing

This Agile project timeline is based on the assumption that the Customer will contribute to, and review deliverables rapidly. Starting at Sprint Review, the Customer will have three (3) business days ("Evaluation Period") to test newly completed User Stories/Deliverables and to identify any Defects, otherwise they will be considered accepted. BlueVector AI will provide notice prior to the end of the Evaluation Period. If the Customer cannot complete this feedback within three days, they must provide written notice to BlueVector AI. Following receipt of this notification, the Customer and BlueVector AI will jointly agree upon a completion date for that item and BVAI will provide written confirmation of the new target completion date. Within the Evaluation Period, the Customer will provide specific and comprehensive feedback on all changes in writing. BlueVector AI will correct the Defect as soon as reasonably practicable, where upon the Customer will receive an additional Evaluation Period commencing upon its receipt of the corrected User Story to verify that the Defect has been corrected. All requested changes that are not Defects shall be included as User Stories in the Product Backlog and prioritized by the Customer Product Owner.

BlueVector AI will provide best practice recommendations to the Customer on test environment, test scenario development, and resource assignment. The Customer will provide BlueVector AI with such assistance as may reasonably be required to verify the existence of and correct a reported Defect. All defects will be documented in BlueVector AI's Asana project management software with an associated level of priority. These priority levels are highlighted in the below table. The Customer and BlueVector AI will jointly agree upon defects to be remediated before solution deployment based on priority level.

Customer and BlueVector AI define acceptance of the Requirement/User Story within the Evaluation Period as:

- User Story meets the acceptance criteria that were defined during Sprint Planning.
- User Story passes all relevant prior acceptance criteria, verifying that no regression has occurred.

Dynamic Scope and Change Control

Both parties recognize that there may be modifications to the Project Scope from time to time during the project. Changes that result in an increase in project scope will require either (a) elimination or simplification of other requirements or User Stories to offset the increase, or (b) a Change Order to increase the Project's cost.

Change Process - For each scope change and associated new User Story requested by the Product Owner, BlueVector AI will estimate the cost and schedule impact of the change or new User Story. The Product Owner will then either (a) accept the new User Story into the Product Backlog and decide which User Story(ies) shall be removed or simplified to offset the increase (b) reject the change or new User Story, or (c) request revisions to the change or new User Story for reconsideration.

Changes to Fixed Fee Scope - In addition to the Change Process above, in the case of a Fixed Fee contract or any scope item or User Story which the Parties have agreed is subject to a fixed delivery fee, all changes will require execution of a Change Order by both parties prior to commencement of such work by BlueVector AI.

Governance

- Steering Committee - Customer and BlueVector AI will establish a Steering Committee from key members from both organizations to monitor risks, discuss relationship health, and identify any issues in need of dispute resolution. The committee will meet on a monthly basis at a minimum. BlueVector AI will involve the Governance Lead, Engagement Manager, and the BlueVector AI Project Manager. The Customer will involve the Executive Sponsor, Product Owner, Customer Project Manager, and other relevant stakeholders.

- Status Reporting - The BlueVector AI Project Manager will provide a weekly status report in writing to the Customer Project Manager and Product Owner. The weekly report will include the percentage of completion for each User Story, the pass rate for User Story Tests, key Project delivery milestone status, an estimated completion date for each milestone, as well as other information relevant to the delivery of the Project as may be agreed upon between the parties. This report will track action items and escalations between the BlueVector AI

Project Manager and Customer Project Manager and Product Owner. A weekly project status call will be set up between the BlueVector AI Project Manager and the Customer Project Manager to review the content of the weekly status report.

- Tools - BlueVector AI recommends that our joint project teams use our Project Management tool for sprint planning, User Stories, issues, and defect tracking. The team will mutually agree to tools for document management, source control, collaboration, and other support functions during the course of the Project.

Escalation Process

The following procedure will be followed if a conflict between the parties relating to a party's performance of its obligations ("Conflict") arises during the performance of the SOW Services.

When a Conflict arises, the BlueVector AI and the Customer Project Managers will first strive to work out the problem internally;

- Level 1: If the parties' project managers cannot resolve the Conflict within two (2) working days, the Customer Executive Sponsor and BlueVector AI's Governance Lead will meet to attempt to resolve the issue;

- Level 2: If the Conflict is not resolved within three (3) working days after being escalated to Level 1, Customer's Executive Sponsor will meet with the BlueVector AI Engagement Manager & Manager of Professional Services to attempt to resolve the issue;

- Level 3: If the Conflict remains unresolved within three (3) working days, then the conflict will be referred to Customer's SVP or CIO and BlueVector AI's CEO (the "Lead Executives") for their review and resolution.

In all Conflicts, the parties agree to use reasonable good faith efforts to resolve such Conflicts in accordance with this escalation procedure. The parties will not (i) initiate legal proceedings for the resolution of the Conflict or (ii) exercise a right to terminate this SOW based upon the Conflict, until the earlier of (a) the Lead Executives' joint written conclusion that amicable resolution through continued negotiation is unlikely, (b) thirty (30) days after the written referral to such Lead Executives was made, or (c) thirty (30) days before the limitations period governing any such cause of action relating to such Conflict would expire. During any Conflict resolution,

BlueVector AI agrees to provide the SOW Services to the extent practicable pending resolution of the Conflict.

Schedule

The timeline for this project is 4 weeks from kickoff to final deployment. The actual start date will be jointly determined after the Statement of Work and contracts are fully executed.

Project Deliverables

Milestone	Description	Acceptance Criteria
Citizen Portal	Citizen portal to learn about the Town of Keystone, View Licenses, Apply for STR, Alcohol and Tobacco Licenses and Permits, Request Documents and Information.	Delivery of Citizen Portal in a production environment.
Employee Portal	Employee portal to manage STR, Alcohol and Tobacco Licenses as well as intake and manage Complaints	Delivery of Employee Portal in a production environment.

Fixed Fee Services

Project Fees

BlueVector AI is proposing the following fees based on the scoped work in this proposal, which are subject to change as the scope is refined and confirmed with further details gathered. The following estimate of fees is for discussion purposes only, and actual fees will be determined in the executed Order Form.

Milestone	Amount ($)
Workstream 1: Setup Google Cloud and Install SnapApp	$10,000
Workstream 3: Final Testing, Training and Production Deployment	$5,000
	$15,000

Expiration: This proposal is valid for 30 days.

Signature and Terms

By signing below, BlueVector AI and the Customer acknowledge and agree to the terms and conditions set forth in the Professional Services Agreement and this SOW. The Effective Date of this SOW shall be the date executed by both parties.

The Town of Keystone

Signature

Town Manager
Title

5/30/2024
Date

BlueVector AI, LLC

Signature

Vice President
Title

6/18/2024
Date

Google Cloud
Partner

bluevector.ai