

## SOW EXHIBIT A

### Kauai – Department of Liquor Control – Liquor Permits and Payments

**County Agency:** County of Kauai, Department of Liquor Control  
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**NIC HI PM Phone:** (808) 695-4296  
**Application Name:** Liquor Permits and Payments  
**Business Model:** Transaction Based  
**Estimated Deployment Date:** May 1, 2022

### SCOPE OF WORK AND DELIVERABLES

#### Scope

NIC HI will develop and implement a solution to allow customers to apply for, renew and pay liquor control permits and fees online via credit card or eCheck (electronic debit from a bank account). The system will include:

1. Initial Liquor License
2. Liquor License Renewals
3. Direct Wine Shipper Permit
4. Miscellaneous Payments (Gross Receipt, Class Payments, etc)

COUNTY will have access to Admin Module(s) to search and view completed transactions.

#### Delivery

The COUNTY shall have fifteen (15) working days to review each deliverable and to either notify NIC HI of acceptance, or to provide NIC HI a detailed list of deficiencies that must be remedied prior to payment being made. In the event the COUNTY notifies NIC HI of material, non-compliance with the functional specifications, NIC HI shall correct the same within fifteen (15) working days, unless the COUNTY consents in writing to a longer period of time.

#### Milestone Schedule

|                 | Description                     | Deliverable   | Role | Hours | Rate (h) | Total |
|-----------------|---------------------------------|---|------|-------|----------|-------|
| TBD             | Signed Statement of Work        | Signed SOW  | N/A  | N/A   | N/A      | N/A   |
| Kickoff Meeting | Determine Start of Project Work | Work Plan with dates for each deliverable presented |      |       |          |       |

|   |                            |   |                    |            |       |                  |
|---|----------------------------|---|--------------------|------------|-------|------------------|
| 15 working days after kickoff meeting                                     | Design prototype           | Design prototype                              | Developer          | 25         | \$80  | \$2,000          |
|   |                            |   | PM                 | 20         | \$80  | \$1,600          |
| 15 working days after design prototype completed                          | Approval to proceed        | Sign off                                      |                    |            |       |                  |
| 15 working days after design prototype approved                           | Beta deployment            | Website deployed in TEST environment          | Developer          | 180        | \$80  | \$14,400         |
|   |                            |   | Sys Admin          | 4          | \$100 | \$400            |
| <b>15 working days after website deployed in test environment</b>         | <b>Approval to proceed</b> | <b>Sign off</b>                               |                    |            |       |                  |
| 1 week after site deployed to TEST  | Testing, training & review | 1 training session for personnel              | Developer          | 50         | \$80  | \$4,000          |
|   |                            |   | PM                 | 40         | \$80  | \$3,200          |
|   |                            |   | QA                 | 189        | \$80  | \$15,120         |
| <b>15 working days after testing website deployed in test environment</b> | <b>Approval to proceed</b> | <b>Sign off</b>                               |                    |            |       |                  |
| 3 days after testing approval   | Website live               | Website deployed in PROD environment          | Sys Admin          | 4          | \$100 | \$400            |
|   |                            |   | Developer          | 29         | \$80  | \$2,320          |
|   |                            |   | PM                 | 44         | \$80  | \$3,520          |
| <b>15 working days after website deployed in PROD environment</b>         | <b>Approval to proceed</b> | <b>Sign off</b>                               |                    |            |       |                  |
| N/A   | <b>Post Launch</b>         | <b>Final invoice sent 90-days post launch</b> |                    |            |       |                  |
|   |                            |   | <b>Work Totals</b> | <b>585</b> |       | <b>*\$46,960</b> |

\* The amount above is for reference only. This service is funded via transactions.

NOTES

N/A

**Work Plan/Deliverables**

NIC HI is to provide a detailed description of all the tasks that are to be completed to accomplish each of the deliverables in the table above. This will serve a road map for the project.

The following is the work plan determined at the time of SOW creation. An updated work plan will be provided to the COUNTY within 2 days after project kickoff meeting.

Prototype (Feb 1- Feb 15)

- Kickoff Meeting
- Design prototype

- Review prototype with COUNTY / approval

Development and TEST Deployment (Feb 15 - Apr 1)

- Code the application
- Deployment to TEST environment

Testing, Training, and Launch (Apr 1 – Apr 30)

- NIC HI application testing
- Application review and training with COUNTY staff / testing
- Bug fixes Round 1
- COUNTY application testing – test fixes
- Production prep
- Deployment to production environment (May 1-5)

NIC HI shall, at the commencement of project discussions, also identify and define all dependencies that may occur for each stage of the project and present those dependencies in writing, as part of this section, prior to signing of the SOW.

## FEES

1. Development Fees: \$0.00 (waived flat fee to implement Payment Platform for same division)
2. Hosting Fees: \$0.00
3. Maintenance and Support Fees: \$0.00
4. Transaction Fees:

For all transactions completed, there will be a Transaction Fee due and payable to NIC HI, comprised of the following components:

- (1) A transaction fee of 5%; plus
- (2) Each credit/debit card or eCheck transaction will incur an additional fee as described below:
  - a. Credit/debit card transactions - Additional transaction processing fee of 2.78% per transaction; or
  - b. eCheck transactions - Additional transaction processing fee of \$1.00 per transaction

Predicted transactional revenue:

NIC HI annual revenue = \$1.2M gross payments x 20% adoption rate x 5% fixed cost = \$12,000 per year

The Transaction Fee will be an add-on fee for each transaction, and therefore will be paid by end users. COUNTY may choose to absorb some or all of the Transaction Fee for a period of time due to COVID-19.

The Transaction Fee shall be deducted from the gross amount collected online before the net amount is remitted to COUNTY on a set calendar basis via ACH. The frequency and method of remittance can be modified upon mutual agreement and signed agreement between NIC HI and COUNTY.

5. Other Fees: \$0.00

### INVOICE AND PAYMENT SCHEDULE

The total not-to-exceed development cost for this project is \$0.00.

#### Invoice Schedule

| <b>Date</b> | <b>Deliverable</b>   | <b>Price</b> | <b>GE Tax</b> | <b>Total</b> |
|-------------|--|--------------|---------------|--------------|
|             | Payment upon deployment of functional test system and COUNTY acceptance  | \$0          | \$0           | \$0 (20%)    |
|             | Payment upon completion of testing and COUNTY acceptance   | \$0          | \$0           | \$0 (20%)    |
|             | Payment after acceptance letter signed by COUNTY and submittal of application for launch to production environment | \$0          | \$0           | \$0 (20%)    |
|             | Payment at end of 90-day warranty period   | \$0          | \$0           | \$0 (40%)    |
|             | <b>TOTAL</b>   | <b>\$0</b>   | <b>\$0</b>    | <b>\$0</b>   |

#### ADDITIONAL RESPONSIBILITIES OF COUNTY

N/A

#### ADDITIONAL RESPONSIBILITIES OF NIC HI

N/A

## CHECKLIST OF SERVICES NIC HI WILL PROVIDE

### Idea Development

- Analysis of existing processes, workflows and systems
- Roadmap creation
- Workflow process re-engineering
- Alternative solution exploration

### Customer Service

- Customer service via phone, web chat, and email during state business hours
- Monthly customer service statistics
- Technical support for users

### Strategic Marketing

- Business cards and postcards
- Email and text notifications and reminders
- Posters and multimedia presentations
- Content modifications for online and offline collateral
- Social media integration

### Project Management

- Agile process and experienced project teams
- Requirements collection and development
- Workflow reengineering
- Solution estimating
- Alternative approach planning and development

### Web Design and Development

- Accessibility and 508 compliance
- Customer service technical support
- Java application development
- Mobile applications (Android and iOS)
- Responsive web design
- User feedback data pipelines
- User centered design
- User experience, user interface, and visual design
- Web Content Management Systems

### 3rd Party Merchant Processing

- Level-3 PCI DSS compliance
- Secure configuration with external PCI scans
- Credit card and electronic check payments
- ACH and manual disbursements
- Chargeback and refund support
- Collection and frontline customer support for all payments
- Reporting modules