

**AMENDMENT 2 TO THE AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN  
SNOHOMISH COUNTY AND REDCLOUD CONSULTING, INC. FOR FINANCIAL  
ENTERPRISE RESOURCE PLANNING AND SYSTEM IMPLEMENTATION SERVICES**

This Amendment 2 dated June 1, 2025 (the “Effective Date”), to the Agreement for Professional Services between Snohomish County and RedCloud Consulting, Inc., executed on December 12, 2023, as amended by Amendment 1 dated August 6, 2024 (the “Agreement”), is made by and between Snohomish County, a political subdivision of the State of Washington (the “Client” or “County”) and RedCloud Consulting, Inc., a Washington corporation, hereafter (the “Supplier” or “Contractor”).

**RECITALS**

**WHEREAS**, the County and RedCloud Consulting, Inc. are the parties to that certain Agreement executed on December 12, 2023; and

**WHEREAS**, the initial term of the Agreement was to expire May 31, 2025; and

**WHEREAS**, in accordance with Change Order 2 dated May 15, 2025, the parties have agreed to extend the Agreement for an additional three (3) years through May 31, 2028; and

**WHEREAS**, the parties have agreed to extend the term for Schedules A-1 and A-2 from May 31, 2025 through May 31, 2028 to align with the Agreement; and

**WHEREAS**, the additional cost to the Agreement for the work described in this Amendment 2 shall not exceed One Million Forty-Six Thousand Two Hundred Fifty Dollars (\$1,046,250.00).

**NOW, THEREFORE**, in consideration of the mutual obligations set out below, the parties agree that the Agreement is amended as follows:

1. Contractor shall serve as the strategic advisor and execution lead of the County’s Enterprise Resource Planning (“ERP”) project. Maximum compensation for leading the ERP program implementation is included in Schedule A-3, Section 3.
2. Schedule A-3 2025 Statement of Work – ERP Program Leader is hereby attached to this Amendment 2 and by this reference incorporated into the Agreement.
3. Section 1, Purpose of Agreement; Scope of Services, is replaced in its entirety with the following:

1. Purpose of Agreement; Scope of Services. The purpose of this Agreement is to acquire professional business consulting services, project management support, and advisory services in support of the County’s financial enterprise resource planning system implementation initiative. The scope of services is as defined in Schedule A, Schedule A-1, Schedule A-2, and Schedule A-3 attached hereto and by this reference made a part hereof. This Agreement is entered into pursuant to Snohomish County Code section 3.04.203.

The services shall be performed in accordance with the requirements of this Agreement and with generally accepted practices prevailing in the western Washington region in the occupation or industry in which the Contractor practices or operates at the time the services are performed. The Contractor shall perform the work in a timely manner and in accordance with the terms of this Agreement. Any materials or equipment used by the Contractor in connection with performing the services shall be of good quality. The

Contractor represents that it is fully qualified to perform the services to be performed under this Agreement in a competent and professional manner.

The Contractor will prepare and present status reports and provide other information regarding performance of the Agreement as the County may request.

4. Section 2 Term of Agreement; Time of Performance is amended to read as follows:

2. Term of Agreement; Time of Performance. This Agreement shall be effective upon signature (the “Effective Date”) and shall terminate on May 31, 2028. The Contractor shall commence work upon the Effective Date and shall complete the work required by this Agreement no later than May 31, 2028, PROVIDED, HOWEVER, that the County’s obligation after December 31, 2023, are contingent upon local legislative appropriation of necessary funds for this specific purpose in accordance with the County Charter and applicable law.

5. Subsection 3.a. Services, is replaced in its entirety with the following:

a. Services. The County will pay the Contractor for services as and when set forth in Schedule A, Schedule A-1, Schedule A-2, and Schedule A-3, which are attached hereto and by this reference made a part of this Agreement.

6. Subsection 3.f. Contract Maximum, is replaced in its entirety with the following:

f. Contract Maximum. Total charges under this Agreement, all fees and expenses included, shall not exceed \$2,263,500.00 for the term of this Agreement.

7. Section 27. Conflicts between Attachment and Text, is replaced in its entirety with the following:

27. Conflicts between Attachments and Text. Each schedule and exhibit listed below is by this reference hereby incorporated into this Agreement as though fully set forth herein. In the event of an inconsistency within this Agreement, the inconsistency shall be resolved by giving precedence in the following order:

1. Terms and conditions in the text or main body of this Agreement
2. Schedule A – Statement of Work
3. Schedule A-1 - Statement of Work – Organizational Change Management (“OCM”) Leader
4. Schedule A-2 Statement of Work – ERP Business Analyst
5. Schedule A-3 Statement of Work – ERP Program Leader

Except as expressly amended in this Amendment 2, the terms and conditions of the Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment 2 as of the day and year first written above.

*Signature page follows.*



## Schedule A-3

### Statement of Work ERP Program Leader

#### I. Description of Services

Supplier shall provide the County with an ERP Program Leader (“Supplier Resource”), who will serve as the strategic advisor and execution lead for the Client’s multi-year digital transformation to a modern ERP solution (the “ERP Project”). Supplier shall ensure the Supplier Resource performs duties as set forth in this Statement of Work.

The Supplier Resource will provide executive-level guidance, helping leadership navigate complex decisions while driving stakeholder engagement and overall project strategy.

Simultaneously, the Supplier Resource will oversee all aspects of project delivery, coordinating vendors, project teams, and end users to help ensure successful completion of the ERP Project.

#### II. Key Assumptions

Client and Supplier agree that timelines for the ERP Project are highly variable and subject to change throughout the Term of this Agreement. Several factors, including many outside of Client’s and/or Supplier’s control, may require updates to project timelines and schedules. Client and Supplier will continually review timelines and adjust project plans as needed.

The Supplier Resource’s performance of services and completion of Deliverables are dependent on sufficient availability of Client vendors, project personnel, and end users as may be reasonably requested by the Supplier Resource.

#### III. Deliverables

In accordance with the Key Assumptions, Anticipated Timelines, and Key Workstreams defined in this Schedule A-3, the Supplier Resource will complete the Deliverables as defined in Schedule A-3.1 attached hereto.

#### IV. Key Responsibilities

##### 1) Pre-Implementation Phase

- A. Mission: The Supplier Resource will define and facilitate the completion of a comprehensive pre-implementation readiness project plan. The goal of the pre-implementation readiness project plan is to help ensure the Client is fully prepared to begin the implementation phases. Supplier Resource will complete the Key Workstreams as set forth herein.
- B. Anticipated Timeline: June 2025 – December 2025
- C. Key Workstreams and Deliverables
  - **Client Leadership Readiness:**
    - Establish the executive level ERP Steering Committee that will serve as the central project leadership team, responsible for project strategy, decision-making, and planning for key resources needed to complete the ERP Project.
    - Facilitate discussion, advise and record decisions regarding steering topics, including strategic planning, key decision making, risk management, and strategic communications to the Client’s departments and employees.

- Deliver advisory services on key project topics including vendor strategy, ERP solution design planning, deployment scenario analysis, internal resource allocation, application and data management preparation strategies, and project leadership principles consistent with industry best practices.
- Create Deliverable #1: Steering Committee Charter.
- **ERP Vendor Readiness**
  - Lead and facilitate the ERP systems integrator (“SI”) vendor RFP and selection process.
  - Provide support and guidance during contract negotiations between Client and ERP SI vendor.
  - Onboard the ERP software and SI vendors to the Client’s vendor-management framework.
  - Create Deliverable #2: ERP Vendor Engagement Plan
- **Client End User Readiness:**
  - Build a Client-wide engagement strategy and execution plan to help ensure all Client’s departments and their respective end-users are sufficiently informed and prepared for the ERP Project to begin.
  - Establish recurring checkpoints, at a frequency mutually agreed to between Client and Supplier Resource, with each Client department’s leaders throughout the pre-implementation project phase to facilitate and support business analysis and change management activities.
  - Track all department engagements in a single client-engagement management application, address questions and issues as they arise, and provide progress reports, at a frequency mutually agreed to between Client and Supplier Resource, on the status of the overall engagement plan throughout the pre-implementation phase.
  - Create Deliverable #3: Client Engagement Plan
- **Client Project Team Readiness:**
  - Design and enable the Client’s internal project team needed to support the ERP Project.
  - Define project team members scope of work, roles, responsibilities, and mapping to the SI vendor’s project team.
  - Define and execute the 60-day project team onboarding plan to ensure all project team members are sufficiently prepared to meaningfully contribute to the project.
  - Create Deliverable #4: Client Project Resource Plan
- **Project Delivery**
  - Establish, execute, and complete the pre-implementation readiness project plan.
  - Proactively address project risks and prioritize all incoming change requests.
  - Keep project stakeholders informed via reporting and communications that are delivered at a frequency mutually agreed to between Client and Supplier Resource .
  - Create Deliverable #5: Pre-Implementation Readiness Project Plan

## 2) Implementation Phases

- A. Mission: The Supplier Resource will be the central force behind the execution of the ERP Project implementation phases, leading coordination across leadership, vendors, and Client project teams. The Supplier Resource will oversee and co-manage all project delivery workstreams and timelines with the ERP SI vendor, as well as facilitate ongoing strategic planning, risk management, and stakeholder engagement to help ensure project success. Supplier Resource will complete the Key Workstreams as set forth herein.

B. Anticipated Timeline: January 2026 – May 2028

C. Key Workstreams and Deliverables

- **Executive Advisory Services**

- Provide Client ERP Steering Committee with strategic advisory services to ensure the ERP implementation aligns with business objectives, operational priorities, and long-term transformation goals.
- Establish a structured governance framework, advising ERP Steering Committee on key decisions related to project scope, risk management, resource allocation, and stakeholder engagement to drive successful implementation.
- Oversee collaboration between ERP Steering Committee, project teams, vendors, and end users, proactively identifying risks and implementing mitigation strategies to ensure seamless execution and timely delivery.
- Create Deliverable #6: ERP Implementation Governance Framework

- **Vendor Engagement**

- Oversee SI Vendor deliverables, track performance against agreed-upon milestones, and ensure compliance with contractual obligations.
- Act as the primary liaison between Client and the SI Vendor, addressing concerns, resolving conflicts, and proactively addressing risks.
- Facilitate collaboration between the SI Vendor, the internal project team, and Client stakeholders to support all sub-phases of the implementation phase, including requirements gathering, process analysis, system design and development, system integration, data migration, testing, training, launch-planning, and overall project execution.
- Create Deliverable #7: SI Vendor Operational Framework Plan

- **Client Stakeholder Engagement**

- Identify and engage with key stakeholders across departments, leadership, and external partners, at a frequency mutually agreed to between Client and Supplier Resource, ensuring their roles, concerns, and expectations are understood and addressed throughout the ERP implementation.
- Develop and execute a structured communication plan to keep stakeholders informed, aligned, and engaged.
- Establish mechanisms for continuous stakeholder feedback and facilitate discussions among stakeholders to resolve conflicts, align priorities, and ensure decisions are made in a timely fashion.
- Create Deliverable #8: Client Stakeholder Relationship Management Matrix

- **Project Delivery (In partnership with the SI Vendor project manager)**

- Develop and manage detailed project plans, timelines, and milestones, while proactively addressing scope management, risks, and dependencies.
- Oversee resource distribution, financial planning, and cost control measures.
- Track project progress using key performance indicators, implement corrective actions when necessary, and refine strategies to enhance overall project success.
- Create Deliverable #9: ERP Implementation Project Plan

### 3) Compensation

Key Stages	Deliverable	Budgeted Hours	Cost
<b>Pre-Implementation Phase</b>			
Client Leadership Readiness	Steering Committee Charter	270	\$41,850.00
ERP Vendor Readiness	ERP Vendor Engagement Plan	270	\$41,850.00
Client End User Readiness	Client Engagement Plan	270	\$41,850.00
Client Project Team Readiness	Client Project Resource Plan	270	\$41,850.00
Project Delivery	Pre-Implementation Readiness Project Plan	270	\$41,850.00
<b>SUBTOTAL HOURS</b>		<b>1,350</b>	<b>\$209,250.00</b>
<b>Implementation Phases</b>			
Executive Advisory Services	ERP Implementation Governance Framework	1350	\$209,250.00
Vendor Engagement	SI Vendor Operational Framework Plan	1350	\$209,250.00
Client Stakeholder Engagement	Client Stakeholder Relationship Mgmt Matrix	1350	\$209,250.00
Project Delivery	ERP Implementation Project Plan	1350	\$209,250.00
<b>SUBTOTAL HOURS</b>		<b>5,400</b>	<b>\$837,000.00</b>
<b>TOTAL HOURS</b>		<b>6,750</b>	<b>\$1,046,250.00</b>

As outlined in Section 3 of this Agreement, Supplier shall submit to Client a properly executed invoice indicating the hours of work performed and progress achieved toward each deliverable and the amount due from the Client no more often than monthly. Subject to Section 8 of this Agreement, the Client shall pay such invoices within thirty (30) calendar days of receipt. Beginning June 1, 2025, the hourly rate for services under this Schedule A-3 shall remain firm, fixed at \$155 per hour. County payment for any Implementation Phase hours is contingent upon successful completion and submission to the County by Contractor of all deliverables in the Pre-Implementation Phase. Hours listed in each subtotal are maximum hours to be allocated to each phase of the project and any revisions to those hours must be memorialized in a change order executed in accordance with section 6 of this Agreement.

### 3.1 Travel Expenses:

There are no travel expenses anticipated while performing the Services under this agreement.

## Schedule A-3.1

### ERP Project Deliverables Inventory

In accordance with the Key Assumptions, Anticipated Timelines, and Key Workstreams defined in Schedule A-3, the Supplier Resource will complete the Deliverables as defined below.

#### 1. Steering Committee Charter

**Description:** A formal governance framework that outlines the roles, responsibilities, and operational principles of a steering committee overseeing the ERP Project.

**Importance:** It endeavors to provide clarity, accountability, and alignment with Client organizational goals, helping the committee guide the ERP Project effectively.

**Deliverable Sections:**

- **Purpose & Objectives:** Defines the mission of the steering committee and the ERP Project goals.
- **Roles & Responsibilities:** Outlines the duties of committee members, including project executives, key Client stakeholders, and the Supplier Resource.
- **Decision-Making Process:** Specifies how decisions are made, including criteria factors, voting procedures, and conflict resolution.
- **Meeting Structure & Reporting:** Details the frequency of meetings, reporting requirements, and communication protocols.
- **Key Design Decisions Document:** Provides an inventory of the key business and technology decisions that will be made to successfully meet the objectives of the ERP Project. Includes operating model, high-level scope, solution architecture, capability blueprint, and product scoping, deployment strategy, timeline, and budget.

#### 2. ERP Vendor Engagement Plan

**Description:** A structured plan outlining how the Client will engage with and onboard its ERP vendors prior to the ERP Project implementation phase.

**Importance:** It endeavors to establish protocols for clear communication, expectations-management, and accountability between the Client and the vendors, reducing risks and improving collaboration.

**Deliverable Sections:**

- **Objectives & Scope** – Defines engagement goals and vendor responsibilities.
- **Communication Strategy** – Identifies key individuals and details how interactions will be managed.
- **Operational Guide** – Documents routine and necessary tasks by the Client to properly manage its obligations to the Vendors.
- **Issue Resolution Process** – Outlines how disputes or challenges will be handled.
- **Review & Feedback Mechanism** –Facilitates continuous improvement in vendor collaboration.

#### 3. Client Engagement Plan

**Description:** A framework for maintaining strong relationships with key individuals and teams across the Client Organization leading up to the implementation phase of the ERP Project.

**Importance:** It endeavors to prepare Client stakeholders for the launch of the ERP Project implementation phase with the SI Vendor.

**Deliverable Sections:**

- **Client Needs & Objectives** – Defines engagement goals.

- **Communication Plan** – Specifies interaction frequency and methods.
- **Engagement Strategies** – Outlines approaches for Client involvement.
- **Feedback & Improvement Process** – Facilitates continuous refinement.
- **Roles & Responsibilities** – Clarifies who manages Client interactions.

#### 4. Client Project Resource Plan

**Description:** A document listing key project team members, defining their roles and responsibilities, and detailing their onboarding process.

**Importance:** It endeavors to ensure all team members understand their roles, responsibilities, and project expectations prior to the beginning of the implementation phase of the ERP Project.

**Deliverable Sections:**

- **Team Member Roles & Responsibilities** – Defines each person's function.
- **Onboarding Schedule** – Outlines training and orientation timelines.
- **Project Goals & Objectives** – Aligns team efforts with the needs of the ERP Project.
- **Communication & Collaboration Guidelines** – Establishes interaction protocols.
- **Performance Expectations** – Establishes minimum levels of effort and expectations for timely completion of work required by the ERP Project and necessary for the Supplier Resource to meet its obligations as defined herein.

#### 5. Pre-Implementation Readiness Project Plan

**Description:** A roadmap for preparing the Client for the ERP Project before the actual implementation and deployment phases begin.

**Importance:** It endeavors to help mitigate risks, ensures proper resource allocation, and sets the foundation for a successful kickoff of the ERP Project implementation phase.

**Deliverable Sections:**

- **Readiness Assessment** – Evaluates organizational preparedness.
- **Change Management Strategy** – Identifies an initial assessment of high-impact changes associated to the implementation of the new ERP system and mitigation strategies that helps prepare employees for transition.
- **Requirements Gathering Plan** – Sets forth the processes and formats for defining the Client's current state and future state requirements of the new ERP system.
- **Leadership Assessment** – Defines project leadership principles, behaviors, and activities consistent with industry best practices and helps to ensure success of the ERP Project.
- **Risk Management & Contingency Plan** – Identifies potential challenges within the upcoming implementation phase and associated risk-mitigation recommendations.

#### 6. ERP Implementation Governance Framework

**Description:** A structured framework for overseeing the ERP implementation process, ensuring compliance and accountability.

**Importance:** It endeavors to provide clear decision-making authority, risk management, and alignment with Client and project objectives.

**Deliverable Sections:**

- **Governance Structure & Roles** – Defines leadership responsibilities.
- **Decision-Making Process** – Establishes approval workflows.
- **Compliance & Regulatory Requirements** – Facilitates Client adherence to standards.
- **Risk Management Framework** – Identifies risks and facilitates the planning of risk mitigation.

- **Performance Monitoring & Reporting** – Tracks implementation progress.

## 7. SI Vendor Operational Framework Plan

**Description:** A plan detailing how the System Integrator (SI) vendor will operate and collaborate with the Client during the ERP Project implementation phase.

**Importance:** It endeavors to help ensure seamless integration of ERP components and alignment with Client and project needs.

**Deliverable Sections:**

- **Scope of Work & Deliverables** – Defines vendor responsibilities.
- **Operational Processes & Workflows** – Outlines execution strategies.
- **Vendor Deliverable Approval Process** – Defines process for submitting vendor deliverables for approvals per the Client-Vendor milestone-based project plan.
- **Issue Resolution & Escalation Procedures** – Manages conflicts.
- **Collaboration & Reporting Guidelines** – Facilitates transparency.

## 8. Client Stakeholder Relationship Management Matrix

**Description:** A tool for tracking interactions and relationships with key stakeholders throughout the ERP Project implementation phase.

**Importance:** It endeavors to help maintain stakeholder engagement, manage concerns, and ensure alignment with Client and project goals.

**Deliverable Sections:**

- **Stakeholder Identification & Roles** – Lists key individuals.
- **Engagement History & Communication Logs** – Tracks interactions.
- **Concerns & Feedback Management** – Documents stakeholder input.
- **Action Items & Follow-Up Plans** – Facilitates responsiveness.
- **Performance & Satisfaction Metrics** – Measures engagement success.

## 9. ERP Implementation Project Plan

**Description:** A comprehensive plan outlining the entire ERP implementation process, from initiation to post-go-live support.

**Importance:** It endeavors to provide a structured approach to managing tasks, timelines, and resources throughout the ERP Project implementation phase.

**Deliverable Sections:**

- **Project Scope & Objectives** – Defines implementation goals.
- **Timeline & Milestones** – Establishes key phases and deadlines.
- **Resource Allocation & Budget** – Details financial and personnel needs.
- **Risk Management & Contingency Planning** – Identifies potential issues.
- **Post-Implementation Support & Optimization** – Facilitates Client adoption of the new ERP system.