



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 6/26/2012

Report Type: Consent

Title: Agreement: Utility Billing Print, Mail and Electronic Bill and Payment Services

Report ID: 2012-00478

Location: Citywide

Recommendation: Pass a Motion authorizing the City Manager or the City Manager's designee to (1) execute a Professional Services Agreement with KUBRA Data Transfer West Ltd. to provide Utility Billing and Payment services, with an agreement term of one year and up to four one year extensions, for an amount not to exceed \$4,954,588 for the maximum agreement term through June 30, 2017, and (2) approve the one year term extensions provided that funding is available for this purpose in the approved budget for the applicable fiscal year.

Contact: Jamille Moens, Business Services Manager, (916) 808-5988; Shelle Smallwood, Program Specialist, (916) 808-4928 - Department of Utilities

Presenter: None

Department: Department Of Utilities

Division: Account Management

Dept ID: 14001631

Attachments:

- 1-Description/Analysis
- 2-Background
- H-Professional Services Agreement Kubra 2013 thru 2017.

City Attorney Review

Approved as to Form
Janeth D. San Pedro
6/19/2012 4:53:23 PM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
6/11/2012 9:57:10 AM

Approvals/Acknowledgements

~~Department Director or Designee:~~ Dave Brent - 6/18/2012 2:47:38 PM



Description/Analysis

Issue: In September 2007, Kubra Data Transfer West Ltd. was awarded a five-year contract to install and implement paper and electronic utility billing and payment services. The existing agreement expires on June 30, 2012. City staff conducted a Request for Proposal (RFP) process for continuation of the existing services, in addition to providing enhanced services and technology in order to meet the ever-changing needs of its customers. Kubra Data Transfer West Ltd. was selected as the top ranked proposer, and staff is recommending approval of an agreement with Kubra to provide these services for a maximum 5 year term.

Policy Considerations: This recommendation is in accordance with the Mayor and City Council mission to ensure a local government that is accountable, fiscally responsible, accessible, transparent, efficient, and responsive; as well as becoming a sustainable City by providing opportunities for conservation of natural resources.

Environmental Considerations: California Environmental Quality Act (CEQA): Ongoing administrative activities, such as the proposed agreement for billing and payment services, do not constitute a “project” under the California Environmental Quality Act (CEQA), and are exempt from CEQA review (CEQA Guidelines Section 15378(b)(2)).

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: The recommendation from staff follows an extensive competitive RFP process. An evaluation panel consisting of members from the Business Services and Engineering Division of the Utilities Department reviewed seven (7) proposals, conducted interviews and demonstrations, followed up with vendor references, and conducted proposal clarifications with the top two proposers. The evaluation panel selected the proposal submitted by Kubra Data Transfer West Ltd. as the top ranked proposal. Following the evaluation process, City staff negotiated terms and conditions and a detailed scope of work, as set forth in the proposed agreement.

Financial Considerations: Funding for the base period of this contract is included in the FY2012/13 Department of Utilities budget. Approval of the one-year term extensions will be contingent on whether funding is available for this purpose in the approved budget for the applicable fiscal year. The negotiated contract reflects a reduced cost for the five year period over the current contract amount for FY2011/12 while providing enhanced services and features. While the contract does not include any increases in pricing over the 5 year period, an allowance for potential postage increases has been included for the optional years.

The agreement provides for an initial base period beginning from the date of execution of the agreement through June 30, 2013, with the option for the City to extend the agreement for four additional one-year terms.

<u>Years</u>	<u>Amount</u>
Base period (through June 30, 2013)	\$921,000

Year 2 (7/1/2013 – 6/30/2014)	\$ 961,745
Year 3 (7/1/2014 – 6/30/2015)	\$ 991,831
Year 4 (7/1/2015 – 6/30/2016)	\$1,023,421
Year 5 (7/1/2016 – 6/30/2017)	\$1,056,591

Total Not to Exceed Amount: \$4,954,588

The agreement includes print and mail services, electronic commerce and mobile solutions, postage, tax, and professional services for implementation of changes as needed. Approximately 68.5% of the total agreement is for postage alone, which will be a direct pass-through to the United States Postal Service (USPS). Approximately 19% of the total agreement is for print and mail services, 9% is for electronic and mobile solutions, 1.5% is for tax and 2% is for other services.

<u>Service</u>	<u>Amount</u>
Print/Mail (including materials)	\$ 941,372
Electronic and Mobile Bill Presentment/Payment	\$ 445,913
Postage	\$3,393,893
Tax	\$ 74,319
Other Services	<u>\$ 99,091</u>
Total Not to Exceed Amount	\$4,954,588

Emerging Small Business Development (ESBD): Kubra Data Transfer West Ltd. is not a qualified ESBD at this time.



BACKGROUND

On June 30, 2012, the existing agreement to provide Utility bill print, insert, mail and electronic bill presentment and payment services will expire. The City conducted a competitive RFP to provide existing and enhanced services and technology in order to meet the ever-changing needs of its customers. The City received seven (7) proposals from the vendors noted below who submitted proposals for either utility bill print, insert and mail service, electronic payment and presentment services, or both. The evaluation team, which was made up Business Services and Engineering Division staff in the Utilities Department, determined that it was in the best interest of the City to retain Kubra Data Transfer West Ltd. (Kubra).

The existing services provided by Kubra include printing and mailing of utility bills and letters, payment by phone utilizing interactive voice recognition (IVR), electronic bill presentment and payment management online via a website hosted by the vendor, which includes enrolled user accounts with various email notifications and payment options, such as scheduled payments, recurring payments, bill and payment histories and more, as well as a one-time payment option for non-enrolled users. In addition, the City also has various payment options for customers including autopay, check by mail, credit card payments in person or over the phone, and payment by cash, check and credit card at various paystations in Sacramento.

The City is currently seeking to enhance customer's bill presentation and payment options via an upgrade of the existing electronic bill and presentment website, implementing graphing and analytics for meter usage, and by implementing mobile technology including an optimized browser, a series of Mobile Apps that will be accessible from the Apple, Android, and Blackberry app stores and Text messaging solutions for notifications. The City is also increasing its ability to self manage letters and bill messages via advanced tools, eliminating the need for professional services costs for a vendor to implement changes.

Kubra is the leader in providing outsourced billing, customer self-service modules and electronic and mobile bill presentment and payment solutions in the industry, with over 400 clients and 212 accounts, of which the majority are multi-service water, electric and gas utility clients. Kubra's Bill Printing & Mailing solution is utilized by 234 clients in North America. Kubra's existing solution which was implemented over a two year period beginning in September 2007 has improved the efficiency and quality of the utility billing and payment processes, particularly in the area of the electronic billing and payment functionality for enrolled and non-enrolled users, as well as IVR. These solutions have proven to be a seamless interface with the City's Oracle/Peoplesoft Customer Information System (CIS).

Currently, approximately 19,000 customers are enrolled in the City's online electronic bill presentment and payment feature, with one or more accounts enrolled per customer. About 100,000 payments are made annually utilizing the one-time, non-enrolled online payment feature or IVR. The City continues to achieve savings as customers adopt the electronic solutions over time, with e-bills replacing paper bills, saving up to approximately 40% per bill as opposed to mail.

Kubra's extensive suite of products and services supports the entire document life cycle in both the traditional and digital arenas from data receipt to payment processing. In addition, Kubra provides National Change of Address (NCOA) cleansing, with real-time addressing corrections made, hosts the online bill-payer solution, provides electronic insert management and scheduling, and supplies and stores all materials required for bill and letter printing. Kubra is PCI, Level 1, and SAS 70 certified. As of November 2011, Kubra is performing an SSAE16 audit. Kubra's compliance and certifications, along with their Identity Theft Prevention policies and procedures, meets the City's Identity Theft Prevention Program policies and ensures data integrity audits, data encryption and password secure application access in order to protect the transmission and storage of customer data.

In addition to maintaining the existing services and features, the agreement includes a number of additional services and features which Kubra will implement at no additional cost to the City, including, but not limited to the following:

- **Letter Template Manager (LTMV2)** – will allow Department of Utilities to self-manage all of their letter templates.
- Implementation of **Intelligent Mail Barcode (IMB)** - this replaces the Postnet Barcode by the USPS and all mail pieces are required to have the IMB.
- **On-document messaging and Proofing Manager** – self service tools to allow message updates and review of document modifications and routing.
- **Upgrade of the existing Biller-Direct site** to take advantage of a number of solution enhancements achieved over the last 3-4 years.
- Deployment of an **i-Mobile solution** including optimized browser, Mobile Apps accessible from the Apple, Android, and Blackberry app stores and Text messaging notification solutions.
- Deployment of **i-Message** - for automated outbound IVR collections tool.

- **Archival** and access of electronic bills and letters, for City employees internally, for a period of 6 years.
- Increase **bill history** display for an online customer from 24-months to 36-months in an enrolled user's profile for the e-billing/payment solution, in addition to maintaining 36-months of payment history.

RFP PROPOSERS

Bill Print, Insert, and Mail Service Proposers:

- **Best Practice Systems**
Clint Waite, CEO
8595 Prairie Trail Drive, Englewood, CO 80112
- **Cash Cycle Solutions**
Kelly Choate, President
201 South Tryon Street, Ste 800, Charlotte, NC 28207
- **Document Fulfillment Services (DFS)**
Steve Shill, President
910 Riverside Parkway, Suite #40, West Sacramento, CA 95605
- **Fidelity National Information Services (FIS)**
Keith Shaffer, SVP
601 Riverside Ave., Jacksonville, FL 32204
- **Infosend, Inc.**
Russ Rezai, COO
4240 E. LaPalma Ave., Anaheim, CA 92807
- **Kubra Data Transfer Ltd.**
R. Braden Short, Vice President, North America Sales
14105 S. Normandie Ave. #2, Gardena, CA 90249

Electronic Bill Presentment and Payment Service Proposers:

- **Best Practice Systems**
Clint Waite, CEO
8595 Prairie Trail Drive, Englewood, CO 80112
- **Cash Cycle Solutions**
Kelly Choate, President
201 South Tryon Street, Ste 800, Charlotte, NC 28207

- **Document Fulfillment Services (DFS)**
Steve Shill, President
910 Riverside Parkway, Suite #40, West Sacramento, CA 95605
- **Fidelity National Information Services (FIS)**
Keith Shaffer, SVP
601 Riverside Ave., Jacksonville, FL 32204
- **Kubra Data Transfer Ltd.**
R. Braden Short, Vice President, North America Sales
14105 S. Normandie Ave. #2, Gardena, CA 90249
- **Paymentus Corporation**
Ray Ramotar, Controller
3455 Peachtree Rd. N.E., Atlanta, GA 30326



PROJECT #:
PROJECT NAME:
DEPARTMENT: Utilities
DIVISION: Business Services

CITY OF SACRAMENTO

PROFESSIONAL SERVICES AGREEMENT *

THIS AGREEMENT is made at Sacramento, California, as of _____, by and between the **CITY OF SACRAMENTO**, a municipal corporation ("CITY"), and

Kubra Data Transfer West Ltd.
14105 S. Normandie Ave #2, Gardena CA 90249
Phone: 310-756-1717 / Fax: 732-346-6606

("CONTRACTOR"), who agree as follows:

1. **Services.** Subject to the terms and conditions set forth in this Agreement, CONTRACTOR shall provide to CITY the services described in Exhibit A. CONTRACTOR shall provide said services at the time, place, and in the manner specified in Exhibit A. CONTRACTOR shall not be compensated for services outside the scope of Exhibit A unless prior to the commencement of such services: (a) CONTRACTOR notifies CITY and CITY agrees that such services are outside the scope of Exhibit A; (b) CONTRACTOR estimates the additional compensation required for these additional services; and (c) CITY, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor. CITY shall have no obligations whatsoever under this Agreement and/or any Supplemental Agreement, unless and until this Agreement or any Supplemental Agreement is approved by the Sacramento City Manager or the City Manager's authorized designee, or by the Sacramento City Council, as required by the Sacramento City Code.
2. **Payment.** CITY shall pay CONTRACTOR for services rendered pursuant to this Agreement at the times and in the manner set forth in Exhibit B. The payments specified in Exhibit B shall be the only payments to be made to CONTRACTOR for the services rendered pursuant to this Agreement unless pursuant to Section 1, above, CITY approves additional compensation for additional services. CONTRACTOR shall submit all billings for said services to CITY in the manner specified in Exhibit B, or, if not specified in Exhibit B, according to the usual and customary procedures and practices that CONTRACTOR uses for billing clients similar to CITY.
3. **Facilities and Equipment.** Except as set forth in Exhibit C, CONTRACTOR shall, at its sole cost and expense, furnish all facilities and equipment that may be required for furnishing services pursuant to this Agreement. CITY shall furnish to CONTRACTOR only the facilities and equipment listed in Exhibit C according to any terms and conditions set forth in Exhibit C.
4. **General Provisions.** The General Provisions set forth in Exhibit D, that include indemnity and insurance requirements, are part of this Agreement. In the event of any conflict between the General Provisions and any terms or conditions of any document prepared or provided by CONTRACTOR and made a part of this Agreement, including without limitation any document

* This form to be used for all professional services, except professional services related to a construction project and professional services performed by licensed architects, landscape architects or professional land surveyors or registered professional engineers.

relating to the scope of services or payment therefor, the General Provisions shall control over said terms or conditions.

5. **Non-Discrimination in Employee Benefits.** This Agreement is subject to the provisions of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. The requirements of Sacramento City Code Chapter 3.54 are summarized in Exhibit E. CONTRACTOR is required to sign the attached Declaration of Compliance (Equal Benefits Ordinance), to assure compliance with these requirements.
6. **Authority.** The person signing this Agreement for CONTRACTOR hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.
7. **Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

Executed as of the day and year first above stated.

CITY OF SACRAMENTO

A Municipal Corporation

By: _____

Print name: _____

Title: _____

For: John F. Shirey, City Manager

APPROVED TO AS FORM:

City Attorney

ATTEST:

City Clerk

Attachments

- Exhibit A - Scope of Service
- Exhibit B - Fee Schedule/Manner of Payment
- Exhibit C - Facilities/Equipment Provided
- Exhibit D - General Provisions
- Exhibit E - Non-Discrimination in Employee Benefits

CONTRACTOR:

Kubra Data Transfer West Ltd.
NAME OF FIRM

13-3807620
Federal I.D. No.

330935029
State I.D. No.

City of Sacramento Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation (*may require 2 signatures*)
- Limited Liability Company
- Other (*please specify: _____*)

Signature of Authorized Person

R. Braden Short, Vice President, North American Sales
Print Name and Title

Additional Signature (*if required*)

Print Name and Title

**DECLARATION OF COMPLIANCE
Equal Benefits Ordinance**

Name of Contractor: Kubra Data Transfer West Ltd.

Address: 14105 S. Normandie Ave #2, Gardena CA 90249

The above named Contractor ("Contractor") hereby declares and agrees as follows:

1. Contractor has read and understands the Requirements of the Non-Discrimination In Employee Benefits Code (the "Requirements") attached hereto as Exhibit E.
2. As a condition of receiving this Agreement, Contractor agrees to fully comply with the Requirements, as well as any additional requirements that may be specified in the City of Sacramento's Non-Discrimination In Employee Benefits Code codified at Chapter 3.54 of the Sacramento City Code (the "Ordinance").
3. Contractor understands, to the extent that such benefits are not preempted or prohibited by federal or state law, employee benefits covered by the Ordinance are any of the following:
 - a. Bereavement Leave
 - b. Disability, life, and other types of insurance
 - c. Family medical leave
 - d. Health benefits
 - e. Membership or membership discounts
 - f. Moving expenses
 - g. Pension and retirement benefits
 - h. Vacation
 - i. Travel benefits
 - j. Any other benefit offered to employees

Contractor agrees that if Contractor offers any of the above-listed employee benefits, Contractor will offer those benefits, without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouses and domestic partners of such employees.

4. Contractor understands that Contractor will not be considered to be discriminating in the provision or application of employee benefits under the following conditions or circumstances:
 - a. If the actual cost of providing a benefit to a domestic partner or spouse exceeds the cost of providing the same benefit to a spouse or domestic partner of an employee, Contractor will not be required to provide the benefit, nor shall it be deemed discriminatory, if Contractor requires the employee to pay the monetary difference in order to provide the benefit to the domestic partner or to the spouse.
 - b. If Contractor is unable to provide a certain benefit, despite taking reasonable measures to do so, if Contractor provides the employee with a cash equivalent Contractor will not be deemed to be discriminating in the application of that benefit.
 - c. If Contractor provides employee benefits neither to employee's spouses nor to employee's domestic partners.
 - d. If Contractor provides employee benefits to employees on a basis unrelated to marital or domestic partner status.
 - e. If Contractor submits written evidence of making reasonable efforts to end discrimination in employee benefits by implementing policies that will be enacted before the first effective date after the first open enrollment process following the date this Agreement is executed by the City of Sacramento ("City"). Contractor understands that any delay in the implementation of such

policies may not exceed one (1) year from the date this Agreement is executed by the City, and applies only to those employee benefits for which an open enrollment process is applicable.

- f. Until administrative steps can be taken to incorporate nondiscrimination in employee benefits. The time allotted for these administrative steps will apply only to those employee benefits for which administrative steps are necessary and may not exceed three (3) months from the date this Agreement is executed by the City.
 - g. Until the expiration of a current collective bargaining agreement(s) if employee benefits are governed by such collective bargaining agreement(s).
 - h. Contractor takes all reasonable measures to end discrimination in employee benefits by either requesting that the union(s) involved agree to reopen the agreement(s) in order for Contractor to take whatever steps are necessary to end discrimination in employee benefits or by ending discrimination in employee benefits without reopening the collective bargaining agreement(s).
 - i. In the event Contractor cannot end discrimination in employee benefits despite taking all reasonable measures to do so, Contractor provides a cash equivalent to eligible employees for whom employee benefits are not available. Unless otherwise authorized in writing by the City Manager, Contractor understands this cash equivalent must begin at the time the union(s) refuse to allow the collective bargaining agreement(s) to be reopened or not longer than three (3) months after the date this Agreement is executed by the City.
- 5. Contractor understands that failure to comply with the provisions of Section 4(a) through 4(i), above, will subject Contractor to possible suspension and/or termination of this Agreement for cause; repayment of any or all of the Agreement amount disbursed by the City; debarment for future agreements until all penalties and restitution have been paid in full and/or for up to two (2) years; and/or the imposition of a penalty, payable to the City, in the sum of \$50.00 for each employee, for each calendar day during which the employee was discriminated against in violation of the provisions of the Ordinance.
 - 6. Contractor understands and agrees to provide notice to each current employee and, within ten (10) days of hire, to each new employee, of their rights under the Ordinance. Contractor further agrees to maintain a copy of each such letter provided, in an appropriate file for inspection by authorized representatives of the City. Contractor also agrees to prominently display a poster informing each employee of these rights.
 - 7. Contractor understands that Contractor has the right to request a waiver of, or exemption from, the provisions of the Ordinance by submitting a written request to the City's Procurement Services Division prior to Agreement award, which request shall identify the provision(s) of the Ordinance authorizing such waiver or exemption and the factual basis for such waiver or exemption. The City shall determine in its sole discretion whether to approve any such request.
 - 8. Contractor agrees to defend, indemnify and hold harmless, the City, its officers and employees, against any claims, actions, damages, costs (including reasonable attorney fees), or other liabilities of any kind arising from any violation of the Requirements or of the Ordinance by Contractor.

The undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that he or she is authorized to bind the Contractor to the provisions of this Declaration.

Signature of Authorized Representative

Date

Print Name

Title

EXHIBIT A
PROFESSIONAL SERVICES AGREEMENT
SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

*Shelle Smallwood/Billing Program Manager
1395 35th Avenue, Sacramento, CA 95822
(916) 808-4928 /smallwood@cityofsacramento.org*

All CONTRACTOR questions pertaining to this Agreement shall be referred to the CITY Representative or the Representative's designee.

The CONTRACTOR Representative for this Agreement is:

*R. Baden Short/Vice President, North American Sales
14105 S. Normandie Ave #2, Gardena CA 90249
Phone: 310-756-1717 / Fax: 732-346-6606*

All CITY questions pertaining to this Agreement shall be referred to the CONTRACTOR Representative. All correspondence to CONTRACTOR shall be addressed to the address set forth on page one of this Agreement. Unless otherwise provided in this Agreement, all correspondence to the CITY shall be addressed to the CITY Representative.

2. Professional Liability Insurance. Professional Liability (Errors and Omissions) insurance is ___ is not X [check one] required for this Agreement. If required, such coverage must be continued for at least _____ year(s) following the completion of all Services and Additional Services under this Agreement. (See Exhibit D, Section 11, for complete insurance requirements.)

3. Conflict of Interest Requirements.

A. **Generally.** Under the California Political Reform Act, Government Code §§ 81000 et seq., designated employees of the CITY are required to comply with the CITY's Conflict of Interest Code. The term "designated employees" is a term of art and includes individuals who are working for contractors who are providing services or performing work for the CITY and who are considered to be "consultants" under the Political Reform Act. The term "consultant" generally includes individuals who make, or participate in making, governmental decisions or who serve in a staff capacity. Individuals who perform work that is solely clerical, ministerial, manual or secretarial are not "consultants."

The CITY's Conflict of Interest Code requires designated employees, including individuals who qualify as "consultants", to file the following statements of economic interests:

- (1) An “assuming office” statement of economic interests to be filed within 30 days after execution of the agreement between the City and the contractor;
- (2) Annual statements of economic interests while the agreement remains in effect, to be filed not later than April 30 of each year; and
- (3) A “leaving office” statement of economic interests to be filed within 30 days of completion of the contract.

The above statements of economic interests are public records subject to public disclosure under the California Public Records Act.

The CITY’s Conflict of Interest Code also requires individuals who qualify as “consultants” under the Political Reform Act to comply with the conflict of interest provisions of the Political Reform Act, which generally prohibit individuals from making or participating in the making of decisions that will have a material financial effect on their economic interests.

- B. **Conflict of Interest Statements.** The individual(s) who will provide services or perform work pursuant to this Agreement are “consultants” within the meaning of the Political Reform Act and the CITY’s Conflict of Interest Code: ___ yes ___X___ no [check one]

If “yes” is checked above, CONTRACTOR shall cause the following to occur within 30 days after execution of this Agreement:

- (1) Identify the individuals who will provide services or perform work under this Agreement as “consultants”;
- (2) Cause these individuals to file with the CITY Representative the “assuming office” statements of economic interests required by the CITY’s Conflict of Interest Code.

Thereafter, throughout the term of the Agreement, CONTRACTOR shall cause these individuals to file with the CITY Representative annual statements of economic interests, and “leaving office” statements of economic interests, as required by the CITY’s Conflict of Interest Code. The CITY may withhold all or a portion of any payment due under this Agreement until all required statements are filed.

4. **Scope of Services.** The services provided shall be as set forth in Attachment 1 to Exhibit A, attached hereto and incorporated herein.
5. **Time of Performance.** The services described herein shall be provided during the period, or in accordance with the schedule, set forth in the scope of services. The initial term for this Agreement is the period beginning from date of award through June 30, 2013. The CITY in its sole discretion may renew this Agreement for subsequent one-year periods (July 1- June 30), up to a total of four (4) one-year renewal periods, by providing written notice of renewal to

CONTRACTOR prior to expiration of the initial term or any successive renewed term, as applicable.

ATTACHMENT 1 TO EXHIBIT A
PROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

1. General:

CONTRACTOR shall support the applications in accordance with the business requirements of the CITY to provide Utility Bill Printing, Mailing and Electronic and Mobile Bill Presentment and Payment services. The CONTRACTOR shall ensure its services and deliverables meet the City's scope of services and business and technical requirements as specified in the City's Request for Proposals (RFP) # P123351020, incorporated herein by this reference, and build new applications and/or support the existing applications to provide the following functions:

1. Printing and Mailing Services
IMB [Replaces the Postnet Barcode by the USPS; all mail pieces are required to have the Intelligent Mail Barcode (IMB)]

2. DocWeb [Includes a preproduction environment for testing, as well as , message, insert, target, proofing and letter manager]
Letter Template Manager V2 [Self-management of all letter templates requirements. This includes customization required of spacing and text boxes, due to limitations identified in testing]
On-Document Messaging [Allows self-management of messages through the DocWeb application in specific outlined document fields]
Proofing Manager [Allows ability to review documents on-line and users decide the destination (print/mail, archive, remove). Data received from customer will generate a DocWeb job as is done currently]

3. Virtual Biller Site Modules [Customer facing applications (e.g. EBPP, CheckFree, etc.) with upgrade of enhancements introduced over the last 3-4 years with Customization per City business requirements]
i-Direct Module [Enrollment, presentment, account/process management, analytics, notification manager, secure email, e-care]
i-Pay Module [Electronic payment scheduling, warehousing, management and settlement via Call Center assist, website and IVR]
i-Connect Module [Account content distribution enrollment, formatting, delivery and tracking with new cartridges]
i-Message [Automated outbound IVR collections tool]
i-Lockbox [Allow walk-in payment and paper-lockbox transactions]
EZ-Pay [Allow convenience fee-based solution for customers paying via credit cards]
PUSH Email Billing [Allows customers to receive bills through additional channels. Supports both enrolled and non-enrolled models. The entire bill or document is delivered directly into the email inbox as an encrypted offline attachment and enables real-time payment]

authorization, profile updates and optional downloads through the interactive PDF attachment]

- 4. I-Mobile Module [Includes an optimized browser, Mobile App and Text messaging solutions]
 - SMS/Text [Establishes text as the preferred notification choice within the profile section of the *traditional* biller-direct site. Text can be selected as a notification only or as notification and payment]
 - Mobile Browser [Allow enrollment for e-billing at the biller-direct site via a traditional or desk-top browse, and option to establish access to the site [Biller-Direct] with a mobile browser]
 - Mobile App [A series of Mobile Apps will be supported, per Mobile operating system. The Apps will support a full featured biller-direct experience. The Apps can support integration within self-service portal apps. The Apps will be accessible from the Apple, Android, and Blackberry app stores]

- 5. i-doxs Platform Modules [Enterprise facing modules]
 - DoxsCapture [Capture, indexing, review, editing and release of digital images into i-doxs]
 - DoxsDirect [Data receipt, extraction/parsing, composition, indexing, release]
 - Virtual Repository [Storage/archival, hosting, technical support, system infrastructure]
 - User Console [Subscriber management, document management, customer support]
 - Admin Console [System configuration, monitoring, user management, administration, reporting]
 - i-Market Module [Targeted marketing and customer service messaging]

2. Definitions:

Within the Scope of Services, the term Biller is used interchangeably with CITY. The term User refers to both City staff and external customers, and the terms Customer and Subscriber refer to external customers.

3. Service Description:

Part I. KUBRA BCS Printing & Mailing

Job scheduling setup shall be Pacific Standard Time (PST) for daily jobs. CONTRACTOR shall allow the City adding another schedule to the current day if it is already processed, when the City is expecting another file that night.

A. Implementation and Configuration

- i. The CONTRACTOR shall develop and support a number of new features and functionalities under this contract which were identified in the RFP # P123351020, the CONTRACTOR'S response to the RFP, and Configuration and Implementation section of Attachment 1 of Exhibit B, which include, but are not limited to:
 - a. Letter Template Manager (LTMV2)
 - b. IMB
 - c. Message manager - On-document messaging and Proofing manager
 - d. Upgrade of the existing Biller-Direct site
 - e. i-Mobile solution
 - f. i-Message
 - g. New cartridges of the i-Connect
 - h. i-Lockbox solution

- ii. The CONTRACTOR shall develop and support up to 25 letter templates to be processed under this contract which include, but are not limited to, the Utility Bills, Notices, and Annual Mailings. Special Mailings shall be processed for printing and mailing as required.

Implementation and configuration may include:

- Needs Analysis and Joint Definition Sessions
 - Statement of Work and Requirements building
 - Project Management and Project Plan construction and maintenance
 - Customization of field/text blocks and spacing as required in the LTMV2 to meet the business requirements of the City for predefined letter content and letterhead.
 - Analysis of billing data
 - Setup and testing of communications
 - Creation of the extraction rules
 - Testing and building of filter program/s
 - Design and creation of electronic templates (cosmetic and layout components)
 - Setup and coding of exceptions/internals
 - Setup and coding of business rules
 - Setup and testing of target messaging
 - Application of barcodes and unique identifiers
 - Compliance testing of OCR line (lockbox processing)
 - Setup of the postal processing validation, correction, and pre-sort routines
 - Three level testing of the individual applications
 - Sourcing and processing of consumables (envelopes/forms)
 - Set-up and testing of the new features in the online customer portal - DocWeb
- iii. Enhancements of accessibility or online features as follows:
 - Provide Contact option for user to send an email to City while logged into Biller Direct online site.
 - Update of online FAQs and placement on home page for non-enrolled users to view, in addition to enrolled users.
 - Migrate current platform from 3.8 to the .NET platform.

- Provide updated user guide for i-Doxs 3.8.
- Add new additional security questions for an enrolled user to choose from.
- Allow enrollment from the one-time payment screen.
- Allow enrolled user to self re-set and/or access their password, via a “Forgot Password” option with security check.
- Allow enrolled user to self re-set and/or access their User ID, via a “Forgot User ID” option with security check.
- Archival and access of electronic bills and letters in I-DOX, for City employees internally, for a period of 6 years, even if beyond period of contract. Auto purge bills/letters after six years.
- Provide a comprehensive document that identifies and outlines all development criteria related to the Electronic and Mobile bill presentment and payment solutions. This includes, but is not limited to, business requirements, functionality rules, customization configured, and a listing and explanation of all functionality screens, links, fields and approved verbiage of all messages and emails, including when they would be triggered for display.

B. Document Composition

- Data receipt & routing - Receipt of CITY CIS extract billing data in a RAW DATA (Flat ASCII, Comma Delimited, Pipe Delimited) file format from CITY CIS system (PeopleSoft) via Internet FTP communication vehicle using PGP encryption software, for data parsing extraction and composition applications
- Data extraction & parsing - Data extraction and parsing tools split parse and route the identified data fields into a relational database for further processing and eventual document composition.
- Document Composition - The initial design and configuration of the electronic document templates for the utility bills, delinquent notices, annual lien notices, etc. These documents would require up to 25 templates to support the document in question. The templates are then linked to data elements processed in the extraction and parsing routines.
- Business rules application - Sophisticated rules-based logic captures and automates all pre-defined business rules and manual operations associated with traditional document printing and insertion processes.
- Postal processing - The postal processing software facilitates address correction/verification (ACE/CASS Certified) editing/reports and the mail stream database is coded (appended with zip + 4 data) and package codes are appended to indicate weight class. These codes are then passed to the pre-sort process to be sorted and qualified for the proper rate categories. The pre-sort software produces all of the necessary documentation (CASS Certificate) needed for mail presentation to the USPS BMEU (Business Mailing Entry Unit).
- Commingling - Mailings are bar-coded and sorted for the best carrier route and delivery point available to maximize postages rate discounts. Some mailings may require additional postage. Mail with less than the minimum number of pieces per USPS permit requirements may be comingled with other Mail processed by the CONTRACTOR. However, mail that meets the USPS permit requirements (500 pieces) must have approval by the CITY representative prior to comingling with other mail processed by the CONTRACTOR.
- NCOALINK - NCOALINK postal service provided, corrections applied and changes reported to CITY representative.
- Personalization/Data Management – The DoxsDirect™ composition software applies personalized messaging applications through the use of barcodes for selective insertion (offline). Advanced data mapping and data management applications enable targeted messaging within the document (online/floating text boxes). OMR Bar-codes are also assigned

to each document at this stage to support CONTRACTOR's intelligent insertion equipment, selective insertion applications, amalgamation/commingling of documents and CONTRACTOR's quality control processes.

- Print File Construction - Data elements and the associated document templates are composed and assembled into electronic documents and rendered into a print file for routing and on-demand production printing at CONTRACTOR's Gardena, CA production facility.

C. Document Printing

- High-volume printing – Dynamic laser printing of the composed print file via CONTRACTOR's distributed print network environment. Quality control checks and balances along with required bar-coding technology to ensure the highest levels of data integrity, accuracy and document print quality.
- Statements – Printed on 8.5"x11", 24 pound, white stock, single part, perforated form that "trifolds" into a #10 window envelope, barcoded per industry standard. The City logo, text "City of Sacramento Utility Service Bill," and the language line are printed in PMS 539 Blue. The rest of bill is printed in Black and white.
- Materials – CONTRACTOR shall supply and store all material needed for billing. Paper and supplies are stored in a temperature controlled environment.
- Envelopes – Envelopes shall be printed and provided by the CONTRACTOR. Envelopes will be printed in PMS 539 Blue, Aerial Font, except the postage pre-paid envelopes which are printed in black, using multiple fonts. The CONTRACTOR will use Standard BRE #9 window envelopes. Return envelopes shall not include return postage. Mailing and remittance envelopes will include pre-printed return address, necessary postal indicia, and include glassine address windows. Remittance envelopes shall include "see-through" protection.
- Indicia – CONTRACTOR shall use indicia on mailing envelopes that do not show the city or zip code from where the piece was mailed.
- Logos – The City logo and other logos shall be printed in designated areas. Other logos may be required during the contract. Logos and/or other images and static texts will not be coded into the electronic files for the vendor to print.

D. Document Insertion

- Intelligent folding & insertion – Bills are grouped, based on barcode identifiers, folded, Business Reply Envelope (BRE) and selective/global inserts sourced and the items inserted into Outer Mailing envelopes (OME).
- Selective and global insertion – Through the use of barcodes and database management software, inserts are selectively or globally sourced from a series of insert stations (6 insert stations) and added to the document package for insertion into the mailing envelope
- Postal sorting & mail finishing – Processed mail packages are applied with the appropriate postage based on the job account profile information. The sequence of the mail packages is pre-determined from the Postal Processing step. Mail packages are grouped, containerized and labeled according to postal processing regulations.
- Postal facility delivery – The finished mail pieces are audited and delivered to the local (Gardena, CA) BMEU for postal processing and recipient delivery supporting the defined Service Level Agreement (see SLA Terms and Conditions)
- Insert segmentation – Ability to segment inserts by unique type including but not limited to customer type and/or Zip Code

- Household merge/purge multiple statements - Multiple statements to the same owner and mailing address shall be matched and inserted in one appropriate size envelope metered first-class separately, and delivered to the USPS at the same time all other bills are delivered; bills will be of varying length, printed on both sides of paper, from one page front to back, to possibly ten or more pages.

E. Data Parsing, Extraction, Design and Composition

CONTRACTOR shall provide tools that parse and route specified data fields into a relational database for processing, document composition and PNG presentment of source content via a Web browser. Included in this service, CONTRACTOR will:

- Maintain the file parsing and extraction rules and routines from a data extract file from CITY's billing system;
- Identify, with CITY's input, indexing fields for search/retrieval, document folder parameters and the summary data display;
- Perform PNG design, composition and mapping, including the design and development of an unlimited number of electronic bill templates;
- Parse and extract data files from a legacy billing data feed and test and load CITY data into the CONTRACTOR-encrypted relational database;

F. Document Presentment, Search and Retrieval

Upon a request from an authorized user, data elements and associated document templates will be mapped to a PNG format, utilizing CONTRACTOR -provided application program interfaces, and presented to the user in the form of dynamic Web pages. Included in this service, CONTRACTOR shall:

- Make Customer's billing data available for presentment to authorized users via a Web site hosted and supported by CONTRACTOR for a period of 36-months. The core "landing page" presented to users upon successful login will present customer service messages and a series of links and summary information, including a gateway to the Document Manager Search screen for advance search and retrieval of electronic replicas of customers' printed bills;
- Make Customer's payment data available for view, including display of all payment types, including IVR and non-enrolled one-time payments; via the hosted Web site supported by the CONTRACTOR for a period of 36-months.
- Provide customer access to the Web site using commercially reasonable user-name and password authentication, according to standards established by an administrative console provided by CONTRACTOR and managed by the CITY;
- Provide CITY's authorized users with unlimited access to the document archival and retrieval tools, including the administrative console;
- Present customers billing data in a graphical format (PNG) upon execution of a search request via the Document Management tool, which supports up to eight (8) search fields, which will be specified by the CITY;
- Deploy graphing/analytics engine for presentation of metered data to customers via the hosted Web site supported by the CONTRACTOR.
- Enable users of the Web site to view exact electronic replicas of printed subscriber bills. Users may FAX, print and/or e-mail the bills, as needed;

- Enable users to apply annotations to the electronic presentment of bills in order to track and manage activities related to accounts;
- Support the capture of multiple documents placed in a queue for sequential “batch” viewing, printing, faxing or e-mailing.
- Enable users to contact the City via email while logged into Biller Direct online site.
- Enable the presentment and selection of multiple security questions.
- Enable user to self-reset and/or access their online profile via Forgot UserID and Forgot Password links, with security verification.
- Auto-file customer’s online bills according to the City of Sacramento business requirements.
- Display balance/bill summary update after processing/settlement of payments.

G. Storage

CONTRACTOR will configure, design and host the storage systems and related infrastructure and document archival and retrieval applications, including data fields, templates and composition logic, necessary for the CITY to search for and view billing data and electronic replicas of customer documents/bills for a rolling period of 72 months and payment data for a rolling period of 36 months. Any storage that continues after expiration of the contract shall result in a flat monthly fee.

Maintain, according to specifications agreed to by the CITY, the parameters for all components related to the document archival/retrieval application, which will be hosted at CONTRACTOR’s redundant and secure data centers.

H. Emailing

The DocWeb application supports the ability to automatically e-mail (PDF attachment) bills, statements, letters and invoices based on an online tool that allows the CITY to manage accounts, e-mail addresses and the e-mail body cosmetic elements.

I. Postage Deposit

The CONTRACTOR shall not use the CITY postal permit. The CONTRACTOR shall obtain the best qualifying automated rate per latest USPS Rates and Fees publication for discount letters, cards and flats. A summary report of postage usage shall be provided as a separate page attached to the invoice.

The CITY shall maintain a postage deposit with CONTRACTOR so that CONTRACTOR is able to draw on funds to support postage monies. The postage deposit must remain in a positive status at all times and must support postage monies outlay requirements.

The CITY shall provide remittance to cover the cost of postage on a monthly basis as a direct pass-through on the invoice. The technical representative will coordinate this effort with the CONTRACTOR directly.

J. Performance Standards/Service Level Agreement (SLA)

The CONTRACTOR shall provide Platinum Service Level to the CITY. During the first week of each month all Service Levels are migrated to the *lower* classification to support monthly increases during this time frame (i.e. the CITY will receive Gold Service Level during the first week of each month).

Platinum:

The Platinum Service Level Agreement for document production and distribution provides 12-hour turnaround from receipt of original data extract files to the delivery of finished mail pieces to the postal facility (USPS/Canada Post). Receipt of data extract files will be in accordance with the File Receipt schedule parameters defined by the specific Service Level below.

Gold:

The Gold Service Level Agreement for document production and distribution provides 24-hour turnaround from receipt of original data extract files to the delivery of finished mail pieces to the postal facility (USPS/Canada Post). Receipt of data extract files will be in accordance with the File Receipt schedule parameters defined by the specific Service Level below.

File Receipt Schedule:

Service Level	File Receipt (Mon-Fri)	Postal Delivery
Platinum	Prior to 6:00 AM (PST)	Same Day (6:00 PM)
Gold	Prior to 6:00 PM (PST)	Next Business Day (6:00 PM)

Notes:

- Platinum SLA requires that the files arrive and are approved/released (if applicable) prior to 6:00 AM PST for same day delivery (6:00 PM PST). Files received from 6:01 AM to 6:00 PM will be produced next day (by 6:00 PM).
- Gold SLA requires that the files arrive and are approved/released (if applicable) by 6:00 PM for next day business delivery by 6:00 PM (24 hours). Files received 6:01 PM to 11:59 PM will be produced with 48 hours (2 business days).
- If there is a data error in the CITY delivered file, the regular SLA process will not be honored. The SLA will be recalculated from the time the account is released for normal processing.
- Last minute work requests submitted by the CITY without pre-approved implementation timelines that are required to be implemented for full production with respect to the production run in question may delay CONTRACTOR’s ability to execute the noted SLA.
- All transmissions must be scheduled (at minimum) by 11:59 pm the previous calendar day. Jobs cannot be scheduled same day. Unscheduled jobs will be excepted, however, the SLA will be migrated to the *lower* classification (i.e. A customer that is supported by a Platinum SLA would received Gold SLA during the first week of each month).
- Late transmissions will be received up until 11:59 the same calendar day after which the entry will be automatically cancelled. Therefore, the transmission must be rescheduled for the next calendar day unless it can be amalgamated with a previously scheduled transmission.

Part II: DOCWEB

Client portal allowing online self-management of the following:

- Insert Manager

- Message Manager
- Proofing Manager
- Letter Template Manager
- Target Manager
- Job Scheduling, Special Handling, Secure E-mail
- Pre environment to create, modify and track changes and test prior to moving to production
- Test Manager
- Users can hold individual document(s) without affecting daily Printing and Mailing Processes]

Part III: Virtual Biller Site Modules [customer facing applications]

A. i-Direct Module

Includes:

- Enrollment Processing – Support of a customized enrollment, validation, activation and de-activation program on a biller-direct site.
- Composition and Presentment - Validation, composition and dynamic rendition of legacy Bill data files into an interactive BWP branded summary and detailed electronic formats (PDF, HTML, etc) allowing for the granular presentment, customer self-service, and online account management support applications upon request from the Customer.
- Decision Support – Display of data in multiple formats with options for downloads and navigation on-demand
- Notification - e-mail notification/reminders of e-bills availability, forgotten passwords and new enrollments
- Customer Care – capture and routing of on-line customer inquires/issues

1. Enrollment/Validation

- General - The i-Direct module and the support of Biller direct enrollment cartridge includes all the key functions including biller branded and rules generated authentication, validation, User ID and Password initiation, enrollment processing, information capture, notification, adjustments and de-enrollment activities. The Basic enrollment option includes a customized enrollment page that captures and validates information real-time and allows for a simple but powerful registration process.
- The CITY is able to source the fields/data for enrollment, business rules and process flow
- Instant activation – The Instant Activation option within the enrollment component supports immediate authentication of the customer information by the real-time validation of account data (account number, Zip code, etc) submitted by enrolling consumers (referenced from a database of customer information from City of Sacramento CIS system) simplifying the entire enrollment process.
- Immediate content – The Immediate content option ensures that at least one cycle of billing data is immediately available for new subscribers after successful enrollment with ‘view only’ presentment.

- CONTRACTOR will power the enrollment, login/log-out and password management process, multiple security questions, as well as the ability for a customer to self-reset and/or access a forgotten password or user ID.
- Customers will be required to set-up a funding account at point of enrollment and paper-less billing will be mandatory.
- CONTRACTOR will allow new customers immediate access to the enrolled feature, without requiring generation of a bill.

2. Notification/Messaging

- Notification and messaging is configured, managed and supported by the Biller within the Admin Console (E-Mail Manager).
- This application allows for the set-up of new message templates, in addition to the existing enrollment, new document/s, forgotten password, etc e-mail messaging templates, which can be configured and assigned to a diverse array of Subscriber Groups.
- Features include up-to 8 data specific fields, free form text messaging, consolidated e-mail notifications for multiple transactions, embedded actionable links, and rich HTML graphics/banner ads.
- Payment reminders and tracking/status notifications are addressed within the i-Pay Module.

3. Presentment/Account Management

- CITY branded landing page (link off of the City of Sacramento's main page via embedded graphic to a page detailing e-bill specific introductory copy and graphics) and a log-on page with a prompt for User ID and Password – all 'framed' within City of Sacramento existing web site environment and incorporating branding elements.
- User authorization – verifies the customer identity via a preset PIN supports varying levels of access and control based on pre-established guidelines.
- A City of Sacramento branded 'home page' presented to the customer upon successful login that presents customer service messaging and/or the latest document/s, series of quick links including links on the Home page to view electronic .pdf inserts and summary content information (documents available online – takes the customer right to the Document Manager Search screen, last 5 documents – links directly to the detailed view of the bills in question, outstanding bills, etc).
- Real time display of balance due via a bill summary, showing up updates to the balance upon processing/settlement of a payment in the i-PAY module.
- The home page should display the most recent bill(s), while all others are only available in the Bill History, without any filing required by the user according to CITY business requirements.
- Home page displays graphing/analytics of meter usage/consumption per CITY requirements.
- Upon a request via the document management tab (supporting up-to-8 search fields – field based and profile searching), interactive documents are presented in a graphical format (HTML) with a summary register displaying all documents (utility bills) in the system based on the search criteria.
- Summary display supports up-to 8 summary/action headings such as account number (sortable), document type, amount due, due date, address, status (viewed, payment scheduled, processed, failed, etc) pay scheduling link and a action tab (view, payment history, etc).
- A detailed view of the sourced document via HTML, PNG, and PDF with embedded actionable links for further navigation to a variety of content levels (i.e. how to read bill, etc)

- The summary register is customized to the Biller's requirements including search fields, documents, column headings, and design/graphical layout.
- A detailed view of the sourced document represents the same look and feel of the printed document in an HTML format with the appropriate logo and design elements displayed. Detailed bill will comply with all data fields and elements contained within the paper bill
- Password reset / forgot password request
- Customer preference management tools (paper bill, reminders, marketing, etc)
- Permits customer to adjust account profile information (name, e-mail, phone number, address,)
- Add/remove or edit customer accounts – immediate validation
- Optional shared access tool, which allows the primary user to establish/activate secondary user access to the application
- Ability to allow multiple users to enroll for a single account; in cases where both a tenant and an owner may monitor/pay billing, or when multiple owners exist.
- Allows a user to deactivate their profile or the secondary user's profile from the system.
- Allow the ability for an enrolled user to add multiple accounts under one user profile and have the ability to pay up to twenty (20) different accounts under one profile and one transaction.
- Allow internal CITY employees to impersonate a user, cancel pending payments, and remove recurring payment set-up and the capability for certain users to use ACH as a form of payment.
- Provides standard FAQ and Utility specific language and revisions as needed
- Generates the digital document 'dynamically' when the URL is selected by the Customer, to accommodate time sensitive transactional, communication and marketing information
- Support of customized pages, framing, navigation, and definable style sheets and cosmetic elements
- Support display and viewing of 36-months of both bill and payment history for enrolled users.
- Support of a daily enrollment file containing a cumulative total of enrolled users along with profile adjustments and the associated data.
- Allow option for Mobile access via the Biller Direct site upon enrollment.
- Development and support of Mobile account management and billing applications across SMS/Text, Mobile Apps for multiple platforms including iPhone, Blackberry and Android, and Mobile Browser platforms/delivery channels. Includes all major carriers for notifications and 2-way transactions – notifications/payments, providing a full featured biller-direct experience.

4. Customer Care

Provides for the intelligent capture and routing of on-line customer inquires/issues via:

- Creation and support of on-line intelligent forms (City of Sacramento Branded)
- Display of customer care support information specific to the Customer group
- Automated pre-field population component
- Inquiry specific segmentation
- Capture and routing of issue/inquiry to pre-determined e-mail addresses
- Tracking and monitoring of customer inquiries

B. i-Pay Module (enrolled and non-enrolled e-bill application)

Module Functions:

- Enrollment
- Schedule
- Warehouse

- Process
- Reconcile
- Reporting
- One-time Payments
- Recurring Payments
- E-bill (enrolled) Activated Payments
- IVR payments
- Call Center
- EZ-PAY
- I-Lockbox

Configurations:

- i-Mobile application

Cartridges:

- ACH/Checking
- Debit Card/ATM/Signature Debit
- Credit Card

Includes:

- One-time (non-enrollment/non-warehoused) payments by automated digital IVR, via CITY-branded web page in a self-serving capacity or via a live Customer Service Representative in an assisted manner.
- Real-time payment enrollment and validation for Credit/Debit Cards and ACH payment accounts
- The capture and construction of split, one-time, consolidated, recurring, future and e-bill integrated payment instruction file creation and delivery.
- Warehousing of payment accounts, profiles, preferences, and payment transactional history
- Delivery of the payment instruction files to the noted ACH originators and credit card processors for settlement
- Capture and processing of the remittance advice from the processors for A/R posting and reconciliation
- Warehousing and display of transactional payment history, forecasting data and payment profile information in the form of reports and analysis records.
- Display of the following fields on the integrated payment history screen: payment date, status, source, amount, and account.
- Allowing editing of both the payment date and/or amount after a payment has been scheduled, and is a pending status prior to being processed or settled.
- E-lockbox supports the capture and processing of all pay-any-one networks including CheckFree, Online Resources, Metavante, and Master Card RPPS.
- Display all payment types in the Payment History that are made via the IVR, Biller Direct enrolled and non-enrolled (one-time, VBS, scheduled and recurring) and Mobile Apps.
- Provide customizable pop-ups for payments in order to notify a customer of any limitations, warnings or rules per the CITY business requirements.

- Allow the ability for an enrolled user to pay up to twenty (20) different accounts under one profile and one transaction.
- Customized Mobile Apps for each core platform in which the CONTRACTOR will support a series of Apps per Mobile operating system with 2-way transactions – notifications/payments and, providing a full featured biller-direct experience. Apps can be integrated with self-service portal apps.

1. Enrollment

Payment authorization:

During this process payment information is collected for validated and enrollment warehousing applications to support future online payment scheduling and processing. The user is required to choose one payment option to validate against (this would be sourced via a drop down list / customized graphics):

ACH:

- Assign an Account 'nickname'
- Routing Transit number
- Bank account number
- Account type (money market, checking, savings)

Credit or Debit card (ATM Debit and credit card) payments:

- Customer name and number
- Customer address
- PIN/card number
- Amount of payment
- Security code

Validation:

- ACH - CONTRACTOR shall facilitate the real-time validation of the RT and associated DDA schema
- Credit/Debit cards – CONTRACTOR will facilitate real-time authorization

Notification:

- At point of enrollment the Customer is able to identify if they would like to have e-mail reminders generated and forwarded to them 7 days before the bill is due (If payment has not been scheduled) and 5 days after the bill is due (If payment has not been processed successfully)

Notes:

- User is able to enroll payment accounts at point of enrollment. They can add additional payment accounts at a later date.
- Biller would display a legal terms and conditions document (scroll down), which the customer would be required to accept or reject to pass enrollment validation.

- Customer would be immediately validated and a message (text to be defined by Biller) would be displayed.
- A customer would set-up payment scheduling parameters per account after enrollment within the VBS for either e-bill activated configuration or a recurring payment configuration.
- Optional usage of the refund/cancellation tool within the User Console
- The *Cash only* (limits users based on an identifier) file would apply across all channels and configurations
- Support of standard terms and conditions and disclaimers with regards to payment scheduling and processing timelines as well as restrictions

2. Schedule

Due date:

- Customers can schedule payments up to 360 days in advance of the actual due date of the payment. When a user selects the payment button after viewing a Bill or immediately from the summary register they are given the following options:
 - ASP – Advises of next day payment if they meet the cut-off time
 - Optional date or other date option – Leaves the date field open to the User discretion
 - Schedule payment a minimum of 2 days prior to the due date (click-able option). Automatically captures the payment due date from the billing file.
- Optional pop-up messages, text messages or drop down list of reason codes can be dynamically presented when the payment amount is above or below the total amount due. This information can be tagged and included with the payment data.
- Customer at this point can set this account up for a recurring payment configuration by clicking on the 'make this a recurring payment' link

Recurring:

- Accessing the recurring payment tab allows a Customer to enrolled specific accounts for recurring payment applications with fixed or variable amounts, multiple thresholds, start and end dates, multiple enrolled payment accounts, and frequency configurations.

Amount:

- Pre-populate the amount due field with the total amount due from the bill displayed
- Allows the user to key in an amount different than the total amount due
- Pre-populates multiple Bill date/amount options along with the associated amount due detailed on the Bill
- Supports consolidated - payments over multiple dates and ability to allocate funds from a single payment across multiple Bills with detailed payment history/status and the option to break the consolidated payment back into individual payments with quick links to bill details

Payment:

- Sort-able field allows the Customer to access any payment accounts registered in their profile by payment 'nick name'. From this point the payment order is scheduled and batched into the CONTRACTOR system and forwarded over to the payment processor.

3. Process

- The i-Pay module captures payment instructions and creates an electronic payment order (NACHA formatted flat file that is then cleared by the ODFI). This file will be created and forwarded for clearing at the end of each day.
- Payment timelines supported include 5:00 PM PST cut-off for next day availability of funds (dependent on the ODFI)
- Credit card transactions support real-time authorization with the subsequent settlement file at the end of the agreed timelines/cut-off

4. Warehousing

- Activation of the payment warehouse feature to store and display all payments initiated via IVR, enrolled, non-enrolled one-time.
- Supports the downloading of payment history via the Biller Direct Module via MS Excel application at a minimum.
- Supports a payment history module that includes summary and detailed information on all payments scheduled, processed, failed, cancelled, etc.
- Supports the ability for the Customer to add/edit or cancel payment account information – immediate validation.
- Future payments schedule that have not been processed can be changed or cancelled
- Supports a graphical display of past and future payments across a detailed calendar with status identifiers.
- Payment profile information is available for editing or adjustments.
- Accessing the recurring payment tab allows a Customer enrolled for the e-billing application to enroll specific accounts for a recurring payment application.
- Support a preferences section for optional configuration of e-mail reminders and system defaults.
- Support the receipt of supplementary payment data (payments made outside of the i-Payment engine) for presentment within the payment history tab.

5. Reconcile

ACH – ODFI delivers to CONTRACTOR the remittance data and the settlement file (exceptions), which CONTRACTOR then formats to a standard lockbox/remittance file layout as per spec of CMP for automated capture and A/R reconciliation

Credit Card – Processor delivers to CONTRACTOR to the remittance data and settlement file (exceptions/charge backs), which CONTRACTOR then formats to a standard lockbox file layout as per the spec of City of Sacramento automated capture and A/R reconciliation

6. Reporting

Reports sourced via the Admin Console including but not limited to:

- Transaction Report
- Transaction Summary Report

- Remittance Report

C. i-Connect Module

Includes:

- Processing of enrollment requests and activation acknowledgement responses on behalf of City of Sacramento based on a set of pre-determined business rules.
- Composition and Presentment - Validation, composition and rendition of legacy billing files into the consolidator specific format for summary presentment on their CSP sites.
- Communication & Distribution - Electronic transfer of re-formatted information to the distribution network for presentment of bill summary information and payment transactions on supported Consumer Service Provider sites (CSP)
- Presentment of bill detail upon request from the network
- Security – Support of the consolidator required security protocols for composing and distributing CITY billing summary data to the CheckFree distribution network.
- Capture and processing of remittance data specific to the network

Module Functions:

- Enrollment/Validation
- Bill Delivery/Processing
- Remittance Processing
- Reporting/Tracking

Cartridges:

- CheckFree / Premiere Certified

1. Enrollment

Establishment of the validation and authentication elements to support activation requests from CheckFree

- Set-up and testing of a CheckFree specific enrollment program with validation and processing business rules
- Indexing, release and testing of City of Sacramento data into the i-doxs database for CheckFree distribution

2. Bill Delivery

- CheckFree specific bill detail templates and data structures (account number, account name, due date, and amount due) for summary bill distribution and reporting into CheckFree.
- Capture of the CheckFree event tracking and customer care reporting tools.
- Security protocols for VBS and Check-Free.
- Supports the downloading of payment history via the Biller Direct Module via MS Excel application at a minimum.

3. Remittance Processing

- Establishment of the remittance file parameters and data structures for A/R reconciliation
- Editing and validation routines established with CheckFree to support the capture and processing of all remittance data from their CSPs sites including customers that do not activate the e-bill relationship

D. i-Message

Includes:

- Interactive outbound messaging for enrolled and non-enrolled customers
- Control of all messaging requirements from one system and administrative console
- Marketing and segmentation across all channels within unified reporting and tracking
- Deliverability across 3 distinct engagement endpoints including mobile devices, land lines and inbox.
- Support of voice, text and email communication channels within an integrated platform
- Support for multiple languages
- File bases receipt and processing of destination/customer data
- E-bill integration, self service and reporting and administration
- Certification with all U.S. carriers for SMS
- Segmentation ability of client base, and creation of universal marketing rules

E. i-Lockbox

Includes:

- Capture and aggregation of e-payments from all pay-any-one consolidator networks into one electronic remittance file
- Processing of walk-in payments and lockbox transactions
- Presentment of all payment sources within a consolidated interface
- Formatting of the aggregate remittance file
- Support of electronic returns
- Payment data cleansing and compliance processing

F. EZ-PAY

Includes:

- Ability to incorporate a convenience fee or consumer funded model
- Multiple sales channels such as IVR, Call Center, Internet
- Multiple payment types – ACH, Credit Card, etc.
- Payment warehousing
- Real-time validation
- Fraud prevention
- Payment modeling and segmentation

G. PUSH Email

Includes:

- Secure PUSH email delivery and payment
- Exact replica (PDF) delivered as an encrypted offline attachment
- Embedded real-time payment processing
- Advanced deliverability processing
- Authentication and non-repudiation
- Tracking and confirmation of e-mail delivery
- Enrolled and non-enrolled models
- Payments across credit cards, check and debit cards
- Interactive display of billing/statement data
- Optional downloads
- Profile and payment updates
- Comprehensive targeted marketing tools

Part IV: i-Mobile

Includes:

- Mobile account management and billing applications across SMS/Text, Mobile Apps, and Mobile browser platforms and delivery channels
- Multiple payment types – ACH, Credit Card, Signature Debit and ATM Pin-less Debit
- Integration with the cord alternative E-billing modules
- Multiple platforms: iPhone, Android, and Blackberry
- Support of SMS/text 2-way payment and confirmation with certified connections to all major carriers
- Account validation and real-time payment updates, with current balance information
- Messaging – Outage management, Smart Meter dashboard information, etc.
- Integration with the i-doxs suite or separate solution to complement existing e-billing applications
- Full integration with Biller Direct site with customization
- Ability to view documents, schedule payments, adjust profile information and access historical data

1. SMS/Text

User would enroll in the traditional biller-direct site and then establish text as the preferred notification of choice within the profile section. Text can be used as notification only or as notification and payment.

2. Mobile Browser

Once enrolled via the biller-direct site and all credentials are established, the solution would automatically identify the mobile browser the user is accessing the site with and then adjust the experience to optimize the access device for the end-user based on the mobile browser. All functionality that exists with a traditional desk top browser via the Biller-Direct site would be available

including detailed document viewing, scheduling payments, accessing payment history and profile management.

3. Mobile App

A series of Mobile Apps per Mobile operating system will be supported. The Apps will support a full featured biller-direct site. The Apps can support integration with client's self service portal apps. The Apps will be accessible from Apple, Android and Blackberry app stores.

Part V: i-doxs Platform Modules [enterprise facing modules]

A. i-doxs Platform

Number of systems:	1 system / 1 data file structure
Number of applications/templates:	Up to 25 document templates
User licenses:	Unlimited Access User licenses

Includes:

- Data receipt & routing - Receipt of the City's core data extract billing files in a flat file format from the City's CIS system via Internet FTP communication vehicle using PGP encryption software, for data parsing extraction and composition applications. After a series of validation, balance acknowledgement/reconciliation and quality control applications the data files are routed to the parsing and extraction engine.
- Data extraction & parsing - Data extraction and parsing tools split, parse and route the identified data fields into a relational database for further processing and eventual document composition. HTML and PDF presentment of source content via a Web browser.
- Composition & Presentment – Upon a request from the CITY, data elements along with the associated document templates are mapped to HTML pages utilizing a robust set of APIs and presented to the Customer in the form of a dynamic web page.
- Storage & Hosting – Storage and archival of all components related to bill mail/presentment application within CONTRACTOR's redundant and secure data centers for a rolling 36-months, and for bill payment applications for a rolling 36-months. Based on the redundant system configuration, the system will provide 99% system uptime metrics. 24/7 system support and maintenance of the Data Centers.
- Supports the downloading of payment history via the Biller Direct Module via MS Excel application at a minimum.
- Customer and Application support - Monday –Friday 7:00AM to 6:00PM Eastern Standard Time.
- Hierarchical Data Management - Tracking of files, templates and usage data with long-term data storage options. Supports unlimited, segmented access rights to all document folders and system analysis and reporting tools for authorized CITY staff.
- User and Application Management – Unlimited access (User ID and Password) to the User and Admin Console tools sets for enterprise based management, support and configuration applications.

B. DoxsCapture

The DoxsCapture software interacts with document scanners and includes:

- Capture, indexing, editing and release of digital images into the i-doxs.net Virtual repositories.
- Acceptance of digital images via fax servers and independent files for indexing, data validation

C. DoxsDirect:

1. Data Receipt/Communication

- Receipt of the definition components of the core data from the City's billing system in an raw data file via secure Internet FTP communication vehicle, for eventual data parsing, extraction, indexing and composition applications.
- Establishment of a series of data validation, balance reconciliation and quality control applications using secure, automated, redundant and encrypted communication processes.

2. Data parsing/Extraction/Design/Composition

- Data file parsing and extraction rules and routines from a raw data file captured from the City's CIS system.
- Indexing fields for search/retrieval, document folders parameters, and the summary register display of the data
- HTML design, composition and mapping – to support all electronic document templates – HTML presentation for each application – utility bills
- Parsing/extraction of multiple data extract files created from a billing data feed and loading/testing of customer data into the CONTRACTOR encrypted relational database.

D. i-doxs.net Virtual Repository:

- Storage systems, infrastructure, and components for data fields (billing data), bill templates, letter templates, data, design elements (logos, graphics) definition routines, page templates, user/usage data, payment and enrollment history/data, and composition logic ongoing storage/hosting within CONTRACTOR's data centers.
- Hosting the parameters for all components related to the entire Biller Direct site for the Electronic Bill Presentment and Payment application within redundant and secure data centers.
- Hierarchical data management and tracking of files, templates and usage data with long-term data storage configurations within CONTRACTOR's data centers

E. Admin Console (Feature Highlights):

- Monitor and run the application remotely through a common integrated interface
- Allows management of internal user community
- Allows management of marketing groups and defining business logic
- Data file receipt, proofing, and release tools
- Create, manage and deploy e-mail notification templates
- Deploy messaging to internal and external users
- Management of marketing delivery channels, digital assets, and campaigns
- Track the receipt of data, release of e-mail notifications, and settlement/remittance processing real-time

- Comprehensive ad-hoc reporting tools across data, subscriber, marketing and payment categories

F. User Console (Feature Highlights):

- Accept payments from customers over the phone with real-time authorization across multiple payment types
- Flexible search and retrieval features including content-based and property bases searching
- View, edit and delete recurring payments programs
- Cancel pending payments and apply refunds on processed transactions
- Access current and historical bills with advanced retrieval tools
- Research charges, transactions and analyze spending trends
- View (HTML, PDF, PNG), download, print, fax and e-mail copies of exact replica documents (bills/letters) in batch or individually
- Change contact information, preferences and profile information
- Enroll customers for online self-service
- Reset passwords
- Track e-bill activity and access historical notifications
- Track and verify all payments real-time regardless of source, type, origin, channel or status

Notes:

- Unlimited User Access to both applications
- Support integration of the User Console within the PeopleSoft GUI inline with the one-time payment application in production

G. i-Market Module

Includes:

- Unlimited user license and access rights to the Marketing Manager application for targeted marketing and customer service messaging applications

The i-Market Module supports all activities associated within the weaving and management of targeted marketing content and imagery within the entire online account management and EPP environment.

Module Components:

- Banner/Image Manager
- Campaign Management
- Campaign Scheduling/Assignment

1. Banner/Image Manager

- Supports the ability for the capture, uploading, placement, naming, configuration and management of images/banner ads from external sources to be used within the VBS series of pages.
- Allows for an unlimited number of banner ads to be loaded, positioned/placed, configured, and URL destinations applied within the system.

2. Campaign Management

- This application allows an authorized user to build a Marketing Campaign including a series of images from the repository and the naming of the campaign to be scheduled and assigned within the Manager.

3. Campaign Scheduling/Assignment

- The Campaign Scheduling and Assignment tools allow for the deployment of specific Campaigns to defined Customer groups and/or across date ranges.

4. Other Terms and Conditions:

A. Schedule for Development and Implementation

CONTRACTOR shall develop and implement the upgrade of the existing Biller Direct site, with additional features that were identified in the RFP # P123351020, along with other services and configuration identified within 90 calendar days of execution of this Agreement. CONTRACTOR shall develop and implement the i-Mobile solution within 120 calendar days of execution of this Agreement.

B. Implementation Delay

In the event CONTRACTOR fails to develop and implement the new services, features and/or modules in accordance with the schedule described in section A above, and to the extent CONTRACTOR's delay is not caused by the CITY, the CITY shall receive a 25% discount off the daily billable rates for each respective system(s) for each day after the applicable deadline specified in section A above until CONTRACTOR completes development and implementation of the system(s) and the system(s) is/are functional as evidenced by successful use of the system(s) in a production environment.

C. General Performance Standards/Service Level Agreement (SLA)

Ultimately CONTRACTOR shall be responsible for the entire operation of the system from acceptance of the data file, processing, support (tech / application), through to payment and reconciliation.

1. Incident Management

All incidents that occur and affect CITY directly and/or indirectly shall be managed to resolution by CITY. There will be ongoing communication of incidents from CONTRACTOR to CITY and shall be facilitated as follows:

- CITY can invoke incident management 7 X 24 based on the severity of the issue defined hereto.
- CONTRACTOR analysts shall track incidents to ensure that they are resolved in a timely manner. Resolution may be in the form of a transfer to CITY's own support service where appropriate.
- CITY can request escalation of any incident to management of CONTRACTOR at any time.

- Incidents shall be communicated to all necessary parties as detailed in the contact lists agreed with CITY.
- CONTRACTOR shall classify the severity level of each incident in accordance with CONTRACTOR'S Incident Classification Standard.
- CONTRACTOR shall provide integrity and completeness to Incident records.

Incident Classification Standard:

CONTRACTOR shall use all commercially reasonable efforts to respond to incident reports according to the following schedule:

Incident Classification	Action 1	Action 2	Action 3
Severity Level 1	1 hour	1 business day	15 business days
Severity Level 2	1 hour	1 business day	30 business days
Severity Level 3	1 hour	15 business days	45 business days
Severity Level 4	1 hour	45 business days	As appropriate

Note: Business days are M-F, excluding national holidays (USA).

Action Classification Definition

Action 1	Acknowledgment of receipt of error report
Action 2	Provide patch, workaround, temporary fix and documentation correction pages.
Action 3	Official object code fix, update or major release and/or updated manuals.

Incident Classification Definition

Severity Level 1	<u>Fatal</u> : Errors preventing all useful work from being done as reasonably determined by CITY and CONTRACTOR.
Severity Level 2	<u>Severe Impact</u> : Errors, which disable major functions from being performed as reasonably, determined by CITY and CONTRACTOR.
Severity Level 3	<u>Degraded Operations</u> : Errors disabling only certain nonessential functions as reasonably determined by CITY and CONTRACTOR.
Severity Level 4	<u>Minimal Impact</u> : Includes all other as reasonably determined by CITY and CONTRACTOR.

Incidents are tracked via a work request "ticket" that documents all correspondence through its entire "life cycle". The ticket is also used to collect vital information for the change management logs which detail all issues and the subsequent adjustments and revisions to the solution in question.

Notice for Planned Changes and Outages:

CITY and CONTRACTOR shall provide 72 hours notice for scheduled system maintenance; for regularly scheduled maintenance the window is established as 2:00am to 6:00 am on Sundays.

Systems availability via the Internet for all e-commerce applications supported by CONTRACTOR:

Based on the redundant system configuration, the system will provide 99% system uptime. Events that are beyond the control of CONTRACTOR, such as web brownouts, payment processor unscheduled downtime, and scheduled maintenance are not included.

2. Support Hours

CONTRACTOR shall provide a dedicated support individual and customer support to CITY weekdays 7:00 am to 5:00 pm PST, excluding holidays. Customer support required at another time will be based upon the severity of the problem. Contact will be made in accordance with the support defined in the Incident Classification Standard paragraph.

Telephone support services, available 7:00 am to 5:00 pm PST, excluding holidays will include assistance related to routine questions regarding use of the e-Collect application, assistance in identifying and verifying the causes of suspected errors or malfunctions in the e-Collect system and advice on detours for identified errors or malfunctions, where reasonably available. Correction of reproducible errors of the e-Collect system that cause the applicable e-Collect to deviate materially from the applicable documentation, in each case in accordance with the error classification and escalation clauses within the Service Level Agreement.

3. After Hours Support

CONTRACTOR shall provide support outside of regular business hours as needed. Although the dedicated support team will be unavailable, general e-payment support will still be available. With that in mind, CITY shall attempt to make solution specific requests for changes during business hours and use after hours support for service interruptions and issues.

4. Application and Technology Upgrades

CONTRACTOR shall upgrade systems and application technology regularly. Planned system upgrades will be reported to CITY via an e-mail notice. Upon giving reasonable advance notice to CITY, CONTRACTOR, at its expense, may make any modifications, changes, adjustments or enhancements to the Services which it considers to be suitable or which are required by law or governmental regulation.

5. Bill, Letter and Payment Data Storage, Archiving and Reporting

Payment data shall be stored online for customer access for a period of 36 months. CONTRACTOR may store data for longer periods of time. All data pertaining to the online payment application is archived off-line (after 36-months).

Bill data shall be stored online for customer access for a period of 36 months. All electronic bills and letters stored within the Admin/User Console for CITY employees shall be made accessible to internal CITY employees for a period of 72-months. All data pertaining to the bills and letters is archived off-line after 72-months.

6. Management Reporting Frequency and Content

CONTRACTOR shall supply daily, weekly and monthly reporting to CITY accessible via the Admin Console.

7. Service Level Adherence Reporting

Service Levels shall be evaluated periodically during the implementation process during the weekly review meetings throughout the implementation. CONTRACTOR and CITY shall develop measurement standards.

D. Quality Control and Auditing

CONTRACTOR is responsible for all aspects of quality assurance and quality control. All work performed by the CONTRACTOR shall be of first-class quality. Doubling of inserts or missing inserts, improper postage, incorrect packaging, mis-registered addresses in window envelopes or misaligned labels are some, but not all, examples of unacceptable work. The CONTRACTOR shall have a quality control program in place to ensure the correct envelopes and inserts, machine insertion and mailing occurs (e.g., right-side up, not double-inserted, correct return envelope, etc.) and to properly address each piece based on the address information provided by the CITY. Duplicated, missing, misprinted bills and inserts, and other errors must be identified and remedied before mailing.

CONTRACTOR shall provide tools that enable the CITY to view sample documents in a .pdf format, run balancing routines, and generate audit reports prior to the initiation of producing individual jobs.

CONTRACTOR shall cooperate with CITY staff or sources contracted by the CITY for the purposes of completing periodic audits of contracted services. Such audits will generally be based on a random sampling of the jobs processed by the CONTRACTOR.

The CITY may, from time to time, require an inspection tour of CONTRACTOR'S facilities at the location where the work on this contract will be accomplished. The City reserves the right to inspect the CONTRACTOR's capability to perform the services required.

Note:

- Any errors, caused by the CONTRACTOR or a third party working with or for the CONTRACTOR, including but not limited to duplicated, missing, misprinted, or late bills and inserts, which are not remedied by the CONTRACTOR'S quality control process, involving 100 or more bills from a single mailing and/or bill cycle, will incur a penalty credit on the invoice pertaining to the service period in the amount of \$0.05 per bill.
- This penalty shall also include bills and letters that are mailed after the target mailing date.
- Corrections that are necessary, as a result of errors made by the CONTRACTOR, related to the Electronic and Mobile bill presentment and payment configuration or any print, insert or mail functions shall be corrected at the CONTRACTOR'S expense, including but not limited to labor hours, supplies, postage, etc.
- All data receipt, print problems, such as delayed print jobs, and any other concerns that may impact target dates or service level commitments shall be reported to the CITY's Billing Manager immediately upon identification.

E. Identity Theft Prevention

Pursuant to the Federal Trade Commission's "Red Flags Rule" (Part 681 of Title 16 of the Code of Federal Regulations), which implements Sections 114 and 315 of the Fair and Accurate Credit

Transactions Act of 2003 (FACTA), the CITY's utility service accounts are "covered accounts" under the Red Flags Rule. Under the Red Flags Rule, financial institutions and creditors are required to establish an identity theft prevention program tailored to their size and complexity and the nature and scope of their operations. Service providers, who perform any activity in connection with one or more utility service accounts, must ensure they perform their activities in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft.

The CONTRACTOR will be required by contract to have its own Identity Theft Prevention program and/or policies and procedures in place to address identity theft. The program must be in compliance with the CITY's program and adhere to the reporting of any red flags to the CITY's Billing Manager.

The CONTRACTOR is responsible for thoroughly screening all employees who come into contact with City data to ensure City data will not be at risk.

F. Emergency Notification and Contact Information

CONTRACTOR is required to perform a pre-production test run, at the CONTRACTOR's facility, of each data file received to ensure that the data received is accurate. Should the CONTRACTOR discover a problem with the data, the CONTRACTOR shall immediately notify the Information/Communications Division at 808-5451 upon discovery of any problem(s). Data on CITY-supplied media shall not be changed without first consulting with Information/Communications Services.

Once the CITY's data file has been transferred and received by CONTRACTOR, CONTRACTOR shall be deemed a custodian of the data file and shall be responsible for the protection and safeguarding of the CITY's data file and the information contained therein. In the event of a security breach or compromise of CONTRACTOR's data system, CONTRACTOR shall promptly notify the CITY's Information Technology Principle Security Officer at (916) 808-1569 and the Department of Utilities Program Manager at (916) 808-5988 by phone and follow-up in writing of the incident and the actions CONTRACTOR has undertaken or will undertake to resolve the security breach issue. CONTRACTOR shall be liable for any damages resulting from a security breach of the CITY's data files.

G. Facility Location, Disaster Recovery, and Security

The CONTRACTOR shall have a disaster recovery plan to insure that all processing can be completed within the CITY's time frames and requirements. The disaster recovery plan shall include but shall not be limited to equipment, personnel, facilities, and transportation back-ups in order to continue service specified under this contract in the event of a disaster or major equipment failures. It is extremely important to the CITY that all precautions are taken to secure CITY assets/data. At a minimum provide and insure that:

1. CITY source documents must be stored in a secure area.
2. CONTRACTOR's facility shall have automatic fire protection/suppression systems to protect CITY data within the facility.
3. CONTRACTOR's facility shall have security/intrusion alarms.

CONTRACTOR represents and warrants that it will maintain the confidentiality and privacy of CITY's data file regardless of where the data file is stored or housed. CONTRACTOR shall ensure that its data

security practices are current with industry standards. CONTRACTOR is solely responsible for compliance with all laws, regulations and judicial and administrative decisions applicable to CONTRACTOR as a provider of data processing services, including, but not limited to, California's Database Security Breach Notification Act (SB 1386) and General Standards for Businesses (AB 1950).

CONTRACTOR shall keep its security practices current by performing third party audits. Requests for audit results shall be made through the Team Leader during the implementation process, and to the assigned Project leader once the system is in full production.

CONTRACTOR shall maintain PCI level 2 compliant on its network and application vulnerabilities, including the minimum password configuration requirements to eight (8) characters with mixture of upper and lower case letters, numbers and special characters.

H. Rights in Data

Upon termination or expiration of the contract agreement for any reason, all CITY property, including but not limited to source codes, formats and related documentation and instructions which are in the possession of the CONTRACTOR shall be immediately delivered to the CITY.

The CITY shall have unrestricted access to the CITY's files from time to time in connection with the performance of the services, and the CONTRACTOR shall not deny access to the CITY for any reason.

H. Notification of Material Changes in Business

CONTRACTOR agrees that if it experiences any material changes in its business including, without limitation, a reorganization, refinancing, restructuring, leveraged buyout, bankruptcy, loss of key personnel, etc., it will immediately notify the CITY of the changes.

CONTRACTOR also agrees to immediately notify the CITY of any condition which may jeopardize the scheduled delivery or fulfillment of CONTRACTOR 's contractual obligations to the CITY.

I. Subcontracts and Assignments

No portion of the work or services, except for the purchase of necessary goods and materials and for the processing of electronic bills and payments through required third party entities, to be supplied hereunder (including the use of CONTRACTORS) may be subcontracted in whole or in part, nor assigned by the CONTRACTOR, nor may assignment of any money due or to become due the CONTRACTOR under this contract be made without the prior written consent of the CITY. Where authorized by the CITY, the CONTRACTOR shall select all subcontractors and suppliers on a competitive basis to the maximum practicable extent consistent with the objectives and requirements of the contract.

The CONTRACTOR must be able to handle reasonable increases in volume, adjustments to programming specifications and in the number of jobs from the current levels. The CITY will work closely with the CONTRACTOR during the conversion and implemented process to insure accuracy in CONTRACTOR programming tasks. Other methods of electronic data transmission, including the Internet, may be utilized upon mutual agreement between the CONTRACTOR and the CITY.

J. Management Reporting

The CONTRACTOR shall provide online reporting capabilities supporting a series of self-service features, for both the electronic VBS and mobile bill presentment and payment solutions and Check-Free, to include at minimum:

- Online management of inventory;
- Online management of inserts;
- Electronic Bill Presentment enrollment and bill view totals;
- Electronic Payment types and totals by date range, etc;
- Tracking and reporting of EBPP enrollment, un-enrollment and reason;
- Mailing dates and number of bills mailed;
- Number of bills and inserts;
- Number and types of letters mailed;
- Number of residual pieces;
- Postage reporting;
- Number of pieces handled during the previous week;
- Cost savings to the City of Sacramento;
- Potential cost savings (provide in detail);
- Verification of delivery to USPS.

K. Drug-Free Workplace Policy

The CITY is committed to providing a safe workplace for its employees and citizens alike. An essential part of this commitment is keeping the work environment free from drugs. In 1989, to assist in the achievement of this end, the CITY established a Drug-Free Workplace Policy. As a CONSULANT doing business with the CITY, it is expected that your firm will also implement a drug-free policy that informs your employees of the dangers and prohibition of drug abuse and that you will join with the CITY in maintaining a drug-free workplace. If, in the performance of work under this contract, any employee of the CONSULANT exhibits unacceptable behavior that may be related to use of drugs or alcohol, the CITY reserves the right to discuss the employee's behavior with the CONSULANT. If the unacceptable behavior persists, the CITY may require that the employee be removed from all work under this contract.

EXHIBIT B

PROFESSIONAL SERVICES AGREEMENT

FEE SCHEDULE/MANNER OF PAYMENT

1. **CONTRACTOR's Compensation.** The total of all fees paid to the CONTRACTOR for the performance of all services set forth in Exhibit A, including normal revisions (hereafter the "Services"), and for all authorized Reimbursable Expenses, shall not exceed the total sum of \$4,954,588 for the maximum five year term of this Agreement, consisting of the following maximum amounts for each one year term: \$921,000 for Base period; \$961,745 for Option period 2; \$991,831 for Option period 3; \$1,023,421 for Option period 4; and, \$1,056,591 for Option period 5.
2. **Billable Rates.** CONTRACTOR shall be paid for the performance of Services on an hourly rate, daily rate, flat fee, lump sum or other basis, as set forth in Attachment 1 to Exhibit B, attached hereto and incorporated herein.
3. **CONTRACTOR's Reimbursable Expenses.** Reimbursable Expenses shall be limited to actual expenditures of CONTRACTOR for expenses that are necessary for the proper completion of the Services and shall only be payable if specifically authorized in advance by CITY.
4. **Payments to CONTRACTOR.**
 - A. Payments to CONTRACTOR shall be made within a reasonable time after receipt of CONTRACTOR's invoice, said payments to be made in proportion to services performed or as otherwise specified in Attachment 1 to Exhibit B. CONTRACTOR may request payment on a monthly basis. CONTRACTOR shall be responsible for the cost of supplying all documentation necessary to verify the monthly billings to the satisfaction of CITY.
 - B. All invoices submitted by CONTRACTOR shall contain the following information:
 - (1) Job Name - Titles of mailings (i.e. bills / letters)
 - (2) Quantities processed
 - (3) Detailed line item descriptions of services billed under the invoice, and overall status of project
 - (4) Date of Invoice Issuance
 - (5) Billing period
 - (6) Sequential Invoice Number
 - (7) CITY's Purchase Order Number
 - (8) Total Contract Amount
 - (8) Unit Cost per record/item
 - (10) Dates and Quantities of mailings and/or service
 - (11) Minimum Charges (when applicable)
 - (12) Billable Case/Issue number and issue description
 - (13) Total Amount of the Invoice (Itemize all Reimbursable Expenses)
 - (14) Subtotals broken out by individual job/service
 - (15) Tax (if applicable) broken out by individual job/service, as well as subtotaled

- (16) Total Billed to Date
- (17) Total Remaining on Contract
- (18) Remittance Address
- (19) Point of Contact

C. Items shall be separated into Services and Reimbursable Expenses. Billings that do not conform to the format outlined above shall be returned to CONTRACTOR for correction. CITY shall not be responsible for delays in payment to CONTRACTOR resulting from CONTRACTOR's failure to comply with the invoice format described below.

D. Requests for payment shall be sent to:

*City of Sacramento
Department of Utilities
1395 35th Avenue
Phone: (916) 808-4928 / Fax: (916) 808-4919
Attn: Shelle Smallwood*

- 5. **Billing Disputes.** Billing disputes will be addressed on an individual job by job basis. The burden of proof of an incorrect billing shall be on the CONTRACTOR. Upon presentation and verification of the information provided by the CONTRACTOR, the CITY will review all records and make a final determination and present its finding to the CONTRACTOR.
- 6. **Additional Services.** Additional Services are those services related to the scope of services of CONTRACTOR set forth in Exhibit A but not anticipated at the time of execution of this Agreement. Additional Services shall be provided only when a Supplemental Agreement authorizing such Additional Services is approved by CITY in accordance with CITY's Supplemental Agreement procedures. CITY reserves the right to perform any Additional Services with its own staff or to retain other contractors to perform said Additional Services.
- 7. **Accounting Records of CONTRACTOR.** During performance of this Agreement and for a period of three (3) years after completing all Services and Additional Services hereunder, CONTRACTOR shall maintain all accounting and financial records related to this Agreement, including, but not limited to, records of CONTRACTOR's costs for all Services and Additional Services performed under this Agreement and records of CONTRACTOR's Reimbursable Expenses, in accordance with generally accepted accounting practices, and shall keep and make such records available for inspection and audit by representatives of the CITY upon reasonable written notice.
- 8. **Taxes.** CONTRACTOR shall pay, when and as due, any and all taxes incurred as a result of CONTRACTOR's compensation hereunder, including estimated taxes, and shall provide CITY with proof of such payment upon request. CONTRACTOR hereby agrees to indemnify CITY for any claims, losses, costs, fees, liabilities, damages or injuries suffered by CITY arising out of CONTRACTOR's breach of this Section 7.

ATTACHMENT 1 TO EXHIBIT B
PROFESSIONAL SERVICES AGREEMENT
FEE SCHEDULE/MANNER OF PAYMENT

Rates identified herein, unless otherwise noted, are fixed for the base period and all four option periods.

Implementation & Configuration:	
Implementation & Configuration of the following systems, applications and functionalities in accordance with the business requirements of the City and the existing Utility Bill Printing, mailing and e-billing/payment services provided are included in this fee:	\$0.00
<ol style="list-style-type: none"> 1. New version of the Letter Template Manager (LTMV2) – Implement all letters (up to 25) in LTMV2, which will allow Department of Utilities to self-manage all of their letter template requirements. This includes customization required of spacing and text boxes, due to limitations identified in testing. 2. IMB implemented on the BCS product Intelligent Mail Barcode – this replaced the Postnet Barcode by the USPS and all mail pieces are required to have the IMB. BCS product is KUBRA’s Print/Mail product. 3. Implementations of the Message manager for on-document messaging and the Proofing manager for more comprehensive testing processes. On-document messaging is KUBRA’s product that allows clients to manage their own messages through CONTRACTOR’s Docweb application in specific outlined document fields. Proofing Manager - Data received from customer will generate a DocWeb job as it does today. All documents will be processed and routed to their destinations according to the client’s business rules. Some of these documents will be flagged for proofing. Users will be able to Review documents on-line and decide their destination (print/mail, archive, remove) of individual documents. 4. Upgrade of the existing Biller-Direct site to take advantage of a number solution enhancements – including: <ul style="list-style-type: none"> • Deployment of new features and functions from solution upgrades over the past 3-4 years, including recurring payment balance updates, new customer enrolment, new recurring payment notification module, new cash only business rules-flags in bill file, additional email notifications, etc. • Auto filing of bills; updates to amount due on the bill within the summary register after payment is processed/settled: deployment of graphing/analytics engine, activation of payment warehouse to store and display all payment types, including IVR and non-enrolled one-time payments; etc • Addition of quick links to view electronic inserts via the Home page of the Biller Direct site 5. Allow enrolled user to self re-set and/or access their USERID and/or password, via a “Forgot Password/UserID” option with security check. 6. Add new additional security questions for an enrolled user to choose from. 7. Provide Contact option for user to send an email to City while logged into Biller Direct online site. 	

8. Update of online **FAQs** and placement on home page for non-enrolled users to view, in addition to enrolled users.
9. Migrate current platform from 3.8 to the .NET platform.
10. Refresh the interface with the new UI platform – cosmetic overhaul.
11. Deployment of the secure email delivery and payment solution to support an alternative **PUSH email billing solution** — KUBRA recommends that the City of Sacramento implement SED to increase their adoption rates by allowing customers to receive their bills through additional channels. Supports both enrolled and non-enrolled models. The entire bill or document is delivered directly into the email inbox as an encrypted offline attachment and enables real-time payment authorization, profile updates and optional downloads through the interactive PDF attachment.
12. Deployment of the **i-Mobile solution** including optimized browser, Mobile App and Text messaging solutions.

SMS/Text – Users would enroll in the *traditional* biller-direct site and then establish text as the preferred notification choice within the profile section. They can use text as a notification only or as notification and payment. The payment profiles would be established within the Biller- Direct site.

Mobile Browser – Users would initially enroll for e-billing at the biller-direct site via a traditional or desk-top browser. Once all the credentials are established they would then be able to access the site [Biller-Direct] with a mobile browser. The solution would automatically identify the mobile browser the user is accessing the site with and then adjust the experience to optimize the access device for the end-user based on the mobile browser. All functionality you would source within a traditional desk top browser via the Biller-Direct site would be available including detailed document viewing, scheduling payments, accessing payment history, and profile management.

Mobile App – KUBRA will support a series of Mobile Apps per Mobile operating system. The Apps will support a full featured biller-direct experience including notifications/updates, bill views, payment scheduling and payment profile adjustments and access. The Apps can support integration within the City’s self-service portal apps. The Apps will be accessible from the Apple, Android, and Blackberry app stores. Once downloaded the user can access all core e-billing
13. Deployment of **i-Message** for automated outbound IVR collections tool.
14. Deployment of **new cartridges of the i-Connect** module to support FIS Global, Manila, Zumbbox, and Volly – City of Sacramento to determine if they need this implemented.
15. Deployment of the **i-Lockbox solution** to support the ingestion of walk-in payment and paper-lockbox transactions from a variety of sources into a common posting file per business specifications. This would eliminate two interfaces to Oracle and allow the City to source this payment data in the existing file and to expose this payment data out to the City’s customers. – City of Sacramento to determine if they need this implemented.

The i-lockbox module acts as a concentrator or “hub” for all in-bound payment transactions. We combine payments from multiple e-payment networks [pay-any-one networks], walk-in payment transactions, and lockbox files into a single electronic posting file that is compatible with the City’s proprietary format and CIS or billing environment.
16. **Archival** and access of electronic bills and letters in I-DOX, for City employees internally, for a period of 6 years, even if beyond period of contract. Pricing terms after contact expiration noted below. Auto purge bills/letters after six years.
17. Increase **bill history** display for an online customer from 24-months to 36-months in an enrolled

user's profile for the e-billing/payment solution. Also maintaining the 36-month Payment history.
 18. Deployment of **EZ-PAY**, which is a convenience fee based solution to support a fee-based approach to customers that will pay via credit card and debit card transactions. 3 channels (IVR, Web, Call Center) will support non-enrolled fee based solutions. – If approved by City Council..

Printing & Mailing Services

Billing System [1 system / 2 data structures]
 Application/Templates [Up to 25 templates]

Virtual Biller Site Modules [customer facing applications]

i-Direct Module [Enrollment, presentment, account/process management, delivery/tracking, email notification, presentment, self-service/analytics and secure email/pay]
 i-Connect Module [Delivers cartridge-based e-bill gateway to deliver e-bills]
 i-Pay Module [Electronic payment scheduling, warehousing, management and settlement via billing system, website, IVR and check-free]
 i-Mobile Module [Mobile account management and billing applications across SMS, Mobile Apps, and Mobile Browser platforms]
 i-Message Module [Interactive outbound messaging applications via SMS, IVR, and Email]

i-doxs Platform Modules [enterprise facing modules]

DoxsCapture [Capture, indexing, review, editing and release of digital images into i-Doxs]
 DoxsDirect [Data receipt, capture, extraction/parsing, composition, indexing, release]
 Virtual Repository [Storage/archival, hosting, technical support, system infrastructure]
 User Console [Subscriber management, document management, customer support]
 Admin Console [System configuration, monitoring, user management, administration, reporting]
 i-Market Module [Supports all Biller-Direct marketing and messaging]

Service Fees:		
Printing & Mailing Services (See Processing Definitions below)	Pre-processing fee (per page/impression)	\$0.0015
	additional page – form and one impression	\$0.0315
	additional page (assumed duplex) – form and two impressions	\$0.048
	Printing Fee	\$0.015
	Machine Insertion Charge - Automated (1-7 sheets of paper into an OME)	\$0.023
	Machine Insertion Charge - Oversize (8-50 sheets of paper)	\$0.35
	Machine Insertion Charge - Manual (50 sheets of paper +)	\$1.25

Printing & Mailing Consumables (see Consumable Definitions below)		Base Year and Optional Years 1 through 5
	Form Fee	\$0.15
	Outer mailing Envelope (OME) #10	\$0.17
	Outer Mailing Envelope 9x12	\$0.29
	Business Reply Envelope (BRE) #9	\$0.15
	Inserts Charges	\$0.00
Print & Mail Package Financials	Receiving and batching of the data, laser imaging statement header and “language line” in PMS 539 blue on one page (form), data processing of duplex (2-sided) one page (form) statement, black and white laser imaging/impressions on 8½ x 11” 24lb. pre-printed paper stock (up to 4 colors) with perforation, #10 security window envelope printed in PMS 539 blue, #9 single security window BRE printed in PMS 539 blue, fold, insert (invoice, #9 BRE and 2 inserts), bar-coding, data processing CASS, data processing NCOA Link, presort and deliver to USPS	
	Base Year (Date of Award – 6/30/2013)	\$0.103
	Year 1 (7/1/2013 – 6/30/2014)	\$0.103
	Year 2 (7/1/2014 – 6/30/2015)	\$0.103
	Year 3 (7/1/2015 – 6/30/2016)	\$0.103
Year 4 (7/1/2016 – 6/30/2017)	\$0.103	
Postage	CONTRACTOR shall invoice the CITY for actual Postage used for Print and Mail services on a monthly basis, and the payment shall be treated as a direct pass through to the United States Postal Service.	

Notes:

- Package Financials includes all costs and unlimited inserts (assumes one-page duplex). The Package Financial is calculated using the Print Fee x 2, Pre-processing Fee x 2, OME, BRE, Form Fee, and Machine Insertion Fee. A two-page duplex (4 print impressions) package cost is \$0.151.
- Pre-processing fee is applied to each side of a page that has printing.
- Printing fee is applied to each side of a page that has any printing.
- Colors can be used on front and back of the form but are limited to 4 colors in total (i.e. 4/0, 3/1, 2/2).
- Black is considered a color if pre-printed on the form but not if dynamically printed on the document
- Form definitions do not support form “bleeds” (there must be a white margin)
- Customized consumable orders support a minimum 3 month order (50,000) and usage rate of 17,000 per month – situations outside of these requirements require special pricing.
- Requirements to order or change consumables prior to depletion of current stock will result in additional fees (cost to destroy existing stock and/or premium fee for low volume consumable orders)
- Fee above includes NCOA Link Processing – National change of Address Processing
- Unlimited inserts with no insert charge; BRE and invoice not considered an insert.
- A machine insertion fee will be charged up to 7 sheets of paper inserted into an OME.
- A higher machine insertion fee will be applied to any additional pages at 8 and above.
- Consumable fees are subject to annual increases based on CPI or general pulp-paper mill increases

Processing Definitions

- Pre-processing: This fee is applied per image received irrelevant of eventual document production and includes all core document composition activities including Communication/Data Receipt, Data extraction & parsing, Document composition, Business rules application, Personalization, Postal processing and Print File Construction and Routing.
- Printing: This fee is applied per impression and includes the actual application of the ink on a document at the noted distribution facility. This fee includes the actual service of printing and the ink consumables.
- Machine Insertion – Automated: This fee includes the intelligent folding and insertion of said documents into an OME (Outer Mailing Envelope). This fee supports up-to 7 pages into a number 10 OME.
- Machine Insertion – Oversize: This fee includes the insertion of pages into an OME. This fee supports 8 – 50 pages into a number an OME.
- Insertion - Manual: This fee includes the insertion of said documents into an OME. This fee supports up-to 50 pages into a 9 x 12 OME.
- Inserts: Unlimited inserts with no insert charge; (B)usiness (R)eply (E)nvelope BRE and invoice not considered an insert.
- Service Level Agreement: Platinum (12 hours / See SLA Terms and Conditions)

Consumables Definitions

- Form Fee: Includes 1 standardized 24 pound, 8 1/2 * 11 cut sheet form with a horizontal perforation and pre-printed City of Sacramento colors (up-to 4 colors).
- Mailing Envelope (OME) Fee: A # 10 custom, single window envelope, 24 pound, white wove, within liner, a standard window placement and two colors
- Business Reply Envelope (BRE) Fee: Includes a standard # 9 business reply envelope (3 3/4 * 8 3/4, glassine single window)

i-Connect (Distribution Fee)	Total bills delivered:	Price per bill/CheckFree
	1 – 50,000	\$0.32
	50,001 – 100,000	\$0.32
	100,001 +	\$0.32

Notes:

- Transactional fees are applied to all transactions forwarded to the distribution channel for enrolled Customers.
- CONTRACTOR is responsible for defining and validating activation and deactivation requests.
- Transactional fee includes both the presentment and payment functions.
- All transactional fees are levied and charged during the pilot stage of the implementation.
- Stair step pricing matrix is based on volumes calculated during a calendar month.

i-Pay	Total bills paid:	Price per payment:
	1 – 50,000	\$0.10
	50,001 – 100,000	\$0.09
	100,001 +	\$0.08
	(Remittance Fee) e-lockbox	\$0.015

Notes:

- All transactional fees are levied and charged during the pilot stage of the implementation.
- All IVR transactions will be processed using a local (non-toll) number at no cost.
- ACH transactional fees do not include ACH origination charges – levied directly by originator.
- ATM debit fees are applied directly to City of Sacramento by Bank of America. The above transactional prices do not reflect ATM/Debit card fees associated with Pulse, NYCE and Star.
- Credit Card transaction pricing only includes enrollment validation, warehousing, scheduling and delivery to the Processing Network. Processing Network will levy additional charges directly to the CITY with respect to the Credit Card issuer percentage fees, charge back fees and payment processor fees.
- Stair step pricing matrix is based on volumes calculated during a calendar month.
- Return fees are applied to all returns (i.e. invalid account number, NSF, NOC, etc for ACH) and are levied directly by the ACH originator to the CITY.

i-Market Module	Access to Marketing Manager	\$0.00
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Notes:

- Allows for unlimited user license and access rights to the Marketing Manager application for targeted marketing and customer service messaging applications.

i-Direct Module (Electronic Presentment/View – External Only)	Total initial bills viewed:	Price per initial view:
	1 – 50,000	\$0.014
	50,001 – 100,000	\$0.014
	100,001 +	\$0.014

Notes:

- Viewed pricing metric is only levied towards external Customers. Internal CITY employees can access all bills an unlimited number of times with no presentment fees.
- View pricing metric refers to bills that have been viewed by the external Customer. Transaction fees are only applied once. Bill can be viewed an unlimited number of times.
- Stair step pricing matrix is based on volumes calculated during a calendar month.
- Includes all noted functionality referenced in the service fee section outside of the advance features/modules.

Post Implementation Professional	Adjustments to the in-production system or development	Per hour \$145.00
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Services		
Notes:		
<ul style="list-style-type: none"> ▪ An estimate will be created with respect to the number of billable hours required and a statement of work signed for any work estimated to exceed 8 hours. ▪ In the event that changes are required that would alter the scope defined by this proposal and the subsequent contracted SOW, a Project Change Request (“PCR”) will be initiated. ▪ Implementation and transactional fees include unlimited user access to the DocWeb™ application. ▪ Document re-design consulting fees are not included in the noted implementation. 		
Storage (Electronic Load Fee)	Total bills stored:	Price per bill processed/stored
	1 – 250,000	\$0.004
	250,001 – 500,000	\$0.004
Notes:		
<ul style="list-style-type: none"> ▪ Storage fee pricing refers to all bills that are processed, loaded to the database, and hosted irrelevant of viewing by the end Customer but available for customer service view. ▪ Documents will be made available to Internal CITY employees for viewing for a period of six years; after which documents meeting this time-period will be auto-purged. ▪ Includes all noted functionality referenced in the service fee section outside of the advance features/modules. 		
E-mailing	Per email	\$0.00
	Per impression rendered	\$0.00
Note: The DocWeb application supports the ability to automatically e-mail (PDF attachment) bills, statements, and invoices based on an online tool that allows the CITY to manage accounts, e-mail addresses and the e-mail body cosmetic elements. Pricing is charged at the e-mail level and the impression level (i.e. a two impression invoice would result in an e-mail charge of \$0.00).		
Courier Preparation	Included per courier package	\$1.50
Note:		
<ul style="list-style-type: none"> ▪ Fee includes the creation of the courier label, packaging and preparation activities. Fee does not include the pass through costs of the courier which is based on weight and service standard. ▪ The City’s personal courier account will be provided and shall be used by the CONTRACTOR to return any boxes or send any inventory, etc to the City. 		
Insert Storage		Per month:
	1-5 boxes	\$0.00
	6-25 boxes	\$0.00
	Greater than 25 boxes and/or one storage bay	\$0.00
Notes:		

CONTRACTOR will not charge for the storage of inserts.		
Inventory Storage	OME	\$0.00
	BRE	\$0.00
	FORM	\$0.00
Note: CONTRACTOR will not charge for the storage of consumables that are not sourced and provided by CONTRACTOR.		
Inventory Destruction/ Recycle	1 box	\$0.00
	2-10 boxes	\$75.00
	10-25 boxes	\$125.00
	Greater than 25 boxes-and/or one full skid	\$250.00
	Any additional skids thereafter	\$75.00
	Recycle Fee	\$0.00

Archive Accessibility upon Contract Expiration	Total bills delivered: 1 – 1,000,000	Price per document Flat Fee \$1,500/month
	1,000,001+	Flat Fee \$1,500/month

Notes:

- Electronic access to bill images and letters/notifications via I-Dox, for internal City employees, will be made available for a period of six years at no additional cost.
- Should the contract expire prior to the six-year archive period being reached, a flat monthly cost for accessibility to I-doxs is noted in the pricing above.

IVR	Toll Free Number:	Price
	Provided at no cost	\$0.00

Note:

- A toll-free number will be provided at no cost to the City, with no long-distance charges to interface to the IVR system.

Convenience Fee	Credit Card/Debit Card Transactions:	Price
	User Fee Per Transaction	\$2.95

Note:

- If the City chooses to implement a credit/debit card convenience fee, additional information and details are required.

EXHIBIT C
PROFESSIONAL SERVICES AGREEMENT
FACILITIES AND EQUIPMENT TO BE PROVIDED BY CITY

CITY shall [*check one*] X Not furnish any facilities or equipment for this Agreement; or
 _____ furnish the following facilities or equipment for the Agreement; [*list, if applicable*]

**EXHIBIT D
PROFESSIONAL SERVICES AGREEMENT**

GENERAL PROVISIONS

1. Independent Contractor.

- A. It is understood and agreed that CONTRACTOR (including CONTRACTOR's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither CONTRACTOR nor CONTRACTOR's assigned personnel shall be entitled to any benefits payable to employees of CITY. CITY is not required to make any deductions or withholdings from the compensation payable to CONTRACTOR under the provisions of this Agreement, and CONTRACTOR shall be issued a Form 1099 for its services hereunder. As an independent contractor, CONTRACTOR hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of CONTRACTOR's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement. (As used in this Exhibit D, the term "Services" shall include both Services and Additional Services as such terms are defined elsewhere in this Agreement.)
- B. It is further understood and agreed by the parties hereto that CONTRACTOR, in the performance of its obligations hereunder, is subject to the control and direction of CITY as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by CONTRACTOR for accomplishing such results. To the extent that CONTRACTOR obtains permission to, and does, use CITY facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the CONTRACTOR's sole discretion based on the CONTRACTOR's determination that such use will promote CONTRACTOR's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the CITY does not require that CONTRACTOR use CITY facilities, equipment or support services or work in CITY locations in the performance of this Agreement.
- C. If, in the performance of this Agreement, any third persons are employed by CONTRACTOR, such persons shall be entirely and exclusively under the direction, supervision, and control of CONTRACTOR. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by CONTRACTOR. It is further understood and agreed that CONTRACTOR shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of CONTRACTOR's assigned personnel and subcontractors.

D. The provisions of this Section 1 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between CITY and CONTRACTOR. CONTRACTOR may represent, perform services for, or be employed by such additional persons or companies as CONTRACTOR sees fit provided that CONTRACTOR does not violate the provisions of Section 5, below.

2. **Licenses; Permits, Etc.** CONTRACTOR represents and warrants that CONTRACTOR has all licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature that are legally required for CONTRACTOR to practice its profession or provide any services under the Agreement. CONTRACTOR represents and warrants that CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals that are legally required for CONTRACTOR to practice its profession or provide such Services. Without limiting the generality of the foregoing, if CONTRACTOR is an out-of-state corporation, CONTRACTOR warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.
3. **Time.** CONTRACTOR shall devote such time and effort to the performance of Services pursuant to this Agreement as is necessary for the satisfactory and timely performance of CONTRACTOR's obligations under this Agreement. Neither party shall be considered in default of this Agreement, to the extent that party's performance is prevented or delayed by any cause, present or future, that is beyond the reasonable control of that party.
4. **CONTRACTOR Not Agent.** Except as CITY may specify in writing, CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to act on behalf of CITY in any capacity whatsoever as an agent. CONTRACTOR and CONTRACTOR's personnel shall have no authority, express or implied, to bind CITY to any obligations whatsoever.
5. **Conflicts of Interest.** CONTRACTOR covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of CITY or that would in any way hinder CONTRACTOR's performance of Services under this Agreement. CONTRACTOR further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of CITY. CONTRACTOR agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of CITY at all times during the performance of this Agreement. If CONTRACTOR is or employs a former officer or employee of the CITY, CONTRACTOR and any such employee(s) shall comply with the provisions of Sacramento City Code Section 2.16.090 pertaining to appearances before the City Council or any CITY department, board, commission or committee.
6. **Confidentiality of CITY Information.** During performance of this Agreement, CONTRACTOR may gain access to and use CITY information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are

valuable, special and unique assets of the CITY. CONTRACTOR agrees to protect all City Information and treat it as strictly confidential, and further agrees that CONTRACTOR shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of CITY. In addition, CONTRACTOR shall comply with all CITY policies governing the use of the CITY network and technology systems, as set forth in applicable provisions of the City of Sacramento Administrative Policy Instructions # 30. A violation by CONTRACTOR of this Section 6 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

7. CONTRACTOR Information.

- A. CITY shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement. In this Agreement, the term “information” shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostating, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. CONTRACTOR shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by CITY.
- B. CONTRACTOR shall fully defend, indemnify and hold harmless CITY, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by CONTRACTOR pursuant to this Agreement infringes upon any third party’s trademark, trade name, copyright, patent or other intellectual property rights. CITY shall make reasonable efforts to notify CONTRACTOR not later than ten (10) days after CITY is served with any such claim, action, lawsuit or other proceeding, provided that CITY’s failure to provide such notice within such time period shall not relieve CONTRACTOR of its obligations hereunder, which shall survive any termination or expiration of this Agreement.
- C. All proprietary and other information received from CONTRACTOR by CITY, whether received in connection with CONTRACTOR’s proposal to CITY or in connection with any Services performed by CONTRACTOR, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked “trade secret” when it is provided to CITY, CITY shall give notice to CONTRACTOR of any request for the disclosure of such information. The CONTRACTOR shall then have five (5) days from the date it receives such notice to enter into an agreement with the CITY, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff’s attorney fees) incurred by CITY in any legal action to compel the disclosure of such information under the California Public Records Act. The CONTRACTOR shall have sole responsibility for defense of the actual “trade secret” designation of such information.
- D. The parties understand and agree that any failure by CONTRACTOR to respond to the notice provided by CITY and/or to enter into an agreement with CITY, in accordance with

the provisions of subsection C, above, shall constitute a complete waiver by CONTRACTOR of any rights regarding the information designated "trade secret" by CONTRACTOR, and such information shall be disclosed by CITY pursuant to applicable procedures required by the Public Records Act.

8. Standard of Performance. CONTRACTOR shall perform all Services required pursuant to this Agreement in the manner and according to the standards currently observed by a competent practitioner of CONTRACTOR's profession in California. All products of whatsoever nature that CONTRACTOR delivers to CITY pursuant to this Agreement shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in CONTRACTOR's profession, and shall be provided in accordance with any schedule of performance specified in Exhibit A. CONTRACTOR shall assign only competent personnel to perform Services pursuant to this Agreement. CONTRACTOR shall notify CITY in writing of any changes in CONTRACTOR's staff assigned to perform the Services required under this Agreement, prior to any such performance. In the event that CITY, at any time during the term of this Agreement, desires the removal of any person assigned by CONTRACTOR to perform Services pursuant to this Agreement, because CITY, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, CONTRACTOR shall remove such person immediately upon receiving notice from CITY of the desire of CITY for the removal of such person.

9. Term; Suspension; Termination.

- A. This Agreement shall become effective on the date that it is approved by both parties, set forth on the first page of the Agreement, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.
- B. CITY shall have the right at any time to temporarily suspend CONTRACTOR's performance hereunder, in whole or in part, by giving a written notice of suspension to CONTRACTOR. If CITY gives such notice of suspension, CONTRACTOR shall immediately suspend its activities under this Agreement, as specified in such notice.
- C. CITY shall have the right to terminate this Agreement at any time by giving a written notice of termination to CONTRACTOR. If CITY gives such notice of termination, CONTRACTOR shall immediately cease rendering Services pursuant to this Agreement. If CITY terminates this Agreement:
 - (1) CONTRACTOR shall, not later than five days after such notice of termination, deliver to CITY copies of all information prepared pursuant to this Agreement.
 - (2) CITY shall pay CONTRACTOR the reasonable value of Services rendered by CONTRACTOR prior to termination; provided, however, CITY shall not in any manner be liable for lost profits that might have been made by CONTRACTOR had the Agreement not been terminated or had CONTRACTOR completed the Services required by this Agreement. In this regard, CONTRACTOR shall furnish to CITY such financial information as in the judgment of the CITY is necessary for CITY to determine the reasonable value of the Services rendered by CONTRACTOR. The foregoing is cumulative and does not affect any right or

remedy that CITY may have in law or equity.

10. Indemnity.

- A. Indemnity: CONTRACTOR shall defend, hold harmless and indemnify CITY, its officers and employees, and each and every one of them, from and against any and all actions, damages, costs, liabilities, claims, demands, losses, judgments, penalties, costs and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by CITY's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "Liabilities"), including but not limited to Liabilities arising from personal injury or death, damage to personal, real or intellectual property or the environment, contractual or other economic damages, or regulatory penalties, arising out of or in any way connected with performance of or failure to perform this Agreement by CONTRACTOR, any sub-consultant, subcontractor or agent, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, whether or not (i) such Liabilities are caused in part by a party indemnified hereunder or (ii) such Liabilities are litigated, settled or reduced to judgment; provided that the foregoing indemnity does not apply to liability for any damage or expense for death or bodily injury to persons or damage to property to the extent arising from the sole negligence or willful misconduct of CITY, its agents, servants, or independent contractors who are directly responsible to CITY, except when such agents, servants, or independent contractors are under the direct supervision and control of CONTRACTOR.
- B. Insurance Policies; Intellectual Property Claims: The existence or acceptance by CITY of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of CITY's rights under this Section 10, nor shall the limits of such insurance limit the liability of CONTRACTOR hereunder. This Section 10 shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 7.B., above. The provisions of this Section 10 shall survive any expiration or termination of this Agreement.

11. Insurance Requirements. During the entire term of this Agreement, CONTRACTOR shall maintain the insurance coverage described in this Section 11.

Full compensation for all premiums that CONTRACTOR is required to pay for the insurance coverage described herein shall be included in the compensation specified for the Services provided by CONTRACTOR under this Agreement. No additional compensation will be provided for CONTRACTOR's insurance premiums.

It is understood and agreed by the CONTRACTOR that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance coverage required or carried by the CONTRACTOR in connection with this Agreement.

- A. Minimum Scope & Limits of Insurance Coverage
- (1) Commercial General Liability Insurance, providing coverage at least as broad as ISO CGL Form 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less

than one million dollars (\$1,000,000) per occurrence. The policy shall provide contractual liability and products and completed operations coverage for the term of the policy.

- (2) Automobile Liability Insurance providing coverage at least as broad as ISO Form CA 00 01 on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than one million dollars (\$1,000,000) per occurrence. The policy shall provide coverage for owned, non-owned and/or hired autos as appropriate to the operations of the CONTRACTOR.

No automobile liability insurance shall be required if CONTRACTOR completes the following certification:

“I certify that a motor vehicle will not be used in the performance of any work or services under this agreement.” _____ (CONTRACTOR initials)

- (3) Workers’ Compensation Insurance with statutory limits, and Employers’ Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Worker’s Compensation policy shall include a waiver of subrogation for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Workers’ Compensation waiver of subrogation in favor of the City is required for all work performed by the CONTRACTOR.

No Workers’ Compensation insurance shall be required if CONTRACTOR completes the following certification:

“I certify that my business has no employees, and that I do not employ anyone. I am exempt from the legal requirements to provide Workers’ Compensation insurance.” _____ (CONTRACTOR initials)

- (4) Professional Liability Insurance providing coverage on a claims made basis for errors, omissions or malpractice with limits of not less than one million (\$1,000,000) dollars if required by the CITY under Exhibit A, Section 2.

B. Additional Insured Coverage

- (1) Commercial General Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects general liability arising out of activities performed by or on behalf of CONTRACTOR, products and completed operations of CONTRACTOR, and premises owned, leased or used by CONTRACTOR. The general liability additional insured endorsement must be signed by an authorized representative of the insurance carrier for contracts involving construction or maintenance, or if required by the CITY by selecting the option below:

_____ Additional insured endorsement must be signed by an authorized representative of the insurance carrier.

If the policy includes a blanket additional insured endorsement or contractual additional insured coverage, the above signature requirement may be fulfilled by submitting that document with a signed declaration page referencing the blanket endorsement or policy form.

- (2) Automobile Liability Insurance: The CITY, its officials, employees and volunteers shall be covered by policy terms or endorsement as additional insureds as respects auto liability.

C. Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

- (1) Except for professional liability, CONTRACTOR's insurance coverage shall be primary insurance as respects CITY, its officials, employees and volunteers. Any insurance or self-insurance maintained by CITY, its officials, employees or volunteers shall be in excess of CONTRACTOR's insurance and shall not contribute with it.
- (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to CITY, its officials, employees or volunteers.
- (3) Coverage shall state that CONTRACTOR's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (4) CITY will be provided with thirty (30) days written notice of cancellation or material change in the policy language or terms.

D. Acceptability of Insurance

Insurance shall be placed with insurers with a Bests' rating of not less than A:V. Self-insured retentions, policy terms or other variations that do not comply with the requirements of this Section 11 must be declared to and approved by the CITY Risk Management Division in writing prior to execution of this Agreement.

E. Verification of Coverage

- (1) CONTRACTOR shall furnish CITY with certificates and required endorsements evidencing the insurance required. The certificates and endorsements shall be forwarded to the CITY representative named in Exhibit A. Copies of policies shall be delivered to the CITY on demand. Certificates of insurance shall be signed by an authorized representative of the insurance carrier.
- (2) The CITY may withdraw its offer of contract or cancel this Agreement if the certificates of insurance and endorsements required have not been provided

prior to execution of this Agreement. The CITY may withhold payments to CONTRACTOR and/or cancel the Agreement if the insurance is canceled or CONTRACTOR otherwise ceases to be insured as required herein.

F. Subcontractors

CONTRACTOR shall require and verify that all sub-consultants and subcontractors maintain insurance coverage that meets the minimum scope and limits of insurance coverage specified in subsection A, above.

12. Equal Employment Opportunity. During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

- A. Compliance With Regulations: CONTRACTOR shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations".
- B. Nondiscrimination: CONTRACTOR, with regards to the work performed by it after award and prior to completion of the work pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. CONTRACTOR shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- C. Solicitations for Subcontractors, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiations made by CONTRACTOR for work to be performed under any subcontract, including all procurement of materials or equipment, each potential subcontractor or supplier shall be notified by CONTRACTOR of CONTRACTOR's obligation under this Agreement and the Regulations relative to nondiscrimination on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation.
- D. Information and Reports: CONTRACTOR shall provide all information and reports required by the Regulations, or by any orders or instructions issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the CITY to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of CONTRACTOR is in the exclusive possession of another who fails or refuses to furnish this information, CONTRACTOR shall so certify to the CITY, and shall set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of noncompliance by CONTRACTOR with the nondiscrimination provisions of this Agreement, the CITY shall impose such sanctions as it may determine to be appropriate including, but not limited to:
 - (1) Withholding of payments to CONTRACTOR under this Agreement until CONTRACTOR complies;

(2) Cancellation, termination, or suspension of the Agreement, in whole or in part.

F. Incorporation of Provisions: CONTRACTOR shall include the provisions of subsections A through E, above, in every subcontract, including procurement of materials and leases of equipment, unless exempted by the Regulations, or by any order or instructions issued pursuant thereto. CONTRACTOR shall take such action with respect to any subcontract or procurement as the CITY may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event CONTRACTOR becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, CONTRACTOR may request CITY to enter such litigation to protect the interests of CITY.

13. **Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by CONTRACTOR, and by CITY, in accordance with applicable provisions of the Sacramento City Code.

14. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

15. **Waiver.** Neither CITY acceptance of, or payment for, any Service or Additional Service performed by CONTRACTOR, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

16. **Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Sacramento County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

17. **Assignment Prohibited.** The expertise and experience of CONTRACTOR are material considerations for this Agreement. CITY has a strong interest in the qualifications and capability of the persons and entities that will fulfill the obligations imposed on CONTRACTOR under this Agreement. In recognition of this interest, CONTRACTOR shall not assign any right or obligation pursuant to this Agreement without the written consent of the CITY. Any attempted or purported assignment without CITY's written consent shall be void and of no effect.

18. **Binding Effect.** This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties, subject to the provisions of Section 17, above.

19. **Use Tax Requirements.** During the performance of this Agreement, CONTRACTOR, for itself, its assignees and successors in interest, agrees as follows:

A. Use Tax Direct Payment Permit: For all leases and purchases of materials, equipment, supplies, or other tangible personal property used to perform the Agreement and

shipped from outside California, the Contractor and any subcontractors leasing or purchasing such materials, equipment, supplies or other tangible personal property shall obtain a Use Tax Direct Payment Permit from the California State Board of Equalization ("SBE") in accordance with the applicable SBE criteria and requirements.

- B. Sellers Permit: For any construction contract and any construction subcontract in the amount of \$5,000,000 or more, Contractor and the subcontractor(s) shall obtain sellers permits from the SBE and shall register the jobsite as the place of business for the purpose of allocating local sales and use tax to the City. Contractor and its subcontractors shall remit the self-accrued use tax to the SBE, and shall provide a copy of each remittance to the City.
- C. The above provisions shall apply in all instances unless prohibited by the funding source for the Agreement.

EXHIBIT E

REQUIREMENTS OF THE NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

INTRODUCTION

The Sacramento Non-Discrimination In Employee Benefits Code (the "Ordinance"), codified as Sacramento City Code Chapter 3.54, prohibits City contractors from discriminating in the provision of employee benefits between employees with spouses and employees with domestic partners, and between the spouses and domestic partners of employees.

APPLICATION

The provisions of the Ordinance apply to any contract or agreement (as defined below), between a Contractor and the City of Sacramento, in an amount exceeding \$100,000.00. The Ordinance applies to that portion of a contractor's operations that occur: (i) within the City of Sacramento; (ii) on real property outside the City of Sacramento if the property is owned by the City or if the City has a right to occupy the property; or (iii) at any location where a significant amount of work related to a City contract is being performed.

The Ordinance does not apply: to subcontractors or subcontracts of any Contractor or contractors; to transactions entered into pursuant to cooperative purchasing agreements approved by the Sacramento City Council; to legal contracts of other governmental jurisdictions or public agencies without separate competitive bidding by the City; where the requirements of the ordinance will violate or are inconsistent with the terms or conditions of a grant, subvention or agreement with a public agency or the instructions of an authorized representative of any such agency with respect to any such grant, subvention or agreement; to permits for excavation or street construction; or to agreements for the use of City right-of-way where a contracting utility has the power of eminent domain.

DEFINITIONS

As set forth in the Ordinance, the following definitions apply:

"Contract" means an agreement for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided, at the expense of the City or to be paid out of moneys deposited in the treasury or out of the trust money under the control or collected by the City. "Contract" also means a written agreement for the exclusive use ("exclusive use" means the right to use or occupy real property to the exclusion of others, other than the right reserved by the fee owner) or occupancy of real property for a term exceeding 29 days in any calendar year, whether by singular or cumulative instrument, (i) for the operation or use by others of real property owned or controlled by the City for the operation of a business, social, or other establishment or organization, including leases, concessions, franchises and easements, or (ii) for the City's use or occupancy of real property owned by others, including leases, concessions, franchises and easements.

"Contract" shall not include: a revocable at-will use or encroachment permit for the use of or encroachment on City property regardless of the ultimate duration of such permit; excavation, street construction or street use permits; agreements for the use of City right-of-way where a contracting utility has the power of eminent domain; or agreements governing the use of City property that constitute a public forum for activities that are primarily for the purpose of espousing or advocating causes or ideas

and that are generally protected by the First Amendment to the United States Constitution or that are primarily recreational in nature.

“Contractor” means any person or persons, firm partnership or corporation, company, or combination thereof, that enters into a Contract with the City. “Contractor” does not include a public entity.

“Domestic Partner” means any person who has a currently registered domestic partnership with a governmental entity pursuant to state or local law authorizing the registration.

“Employee Benefits” means bereavement leave; disability, life, and other types of insurance; family medical leave; health benefits; membership or membership discounts; moving expenses; pension and retirement benefits; vacation; travel benefits; and any other benefit given to employees. “Employee benefits” shall not include benefits to the extent that the application of the requirements of this chapter to such benefits may be preempted by federal or state.

CONTRACTOR’S OBLIGATION TO PROVIDE THE CITY WITH DOCUMENTATION AND INFORMATION

Contractor shall provide the City with documentation and information verifying its compliance with the requirements of the Ordinance within ten (10) days of receipt of a request from the City. Contractors shall keep accurate payroll records, showing, for each City Contract, the employee’s name, address, Social Security number, work classification, straight time pay rate, overtime pay rate, overtime hours worked, status and exemptions, and benefits for each day and pay period that the employee works on the City Contract. Each request for payroll records shall be accompanied by an affidavit to be completed and returned by the Contractor, as stated, attesting that the information contained in the payroll records is true and correct, and that the Contractor has complied with the requirements of the Ordinance. A violation of the Ordinance or noncompliance with the requirements of the Ordinance shall constitute a breach of contract.

EMPLOYER COMPLIANCE CERTIFICATE AND NOTICE REQUIREMENTS

(a) All contractors seeking a Contract subject to the Ordinance shall submit a completed Declaration of Compliance Form, signed by an authorized representative, with each proposal, bid or application. The Declaration of Compliance shall be made a part of the executed contract, and will be made available for public inspection and copying during regular business hours.

(b) The Contractor shall give each existing employee working directing on a City contract, and (at the time of hire), each new employee, a copy of the notification provided as Attachment “A.”

(c) Contractor shall post, in a place visible to all employees, a copy of the notice provided as Attachment “B.”

Attachment A



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

On (date), your employer (the "Employer") entered into a contract with the City of Sacramento (the "City") for (contract details), and as a condition of that contract, agreed to abide by the requirements of the City's Non-Discrimination In Employee Benefits Code (Sacramento City Code Section 3.54).

The Ordinance does not require the Employer to provide employee benefits. The Ordinance does require that if certain employee benefits are provided by the Employer, that those benefits be provided without discrimination between employees with spouses and employees with domestic partners, and without discrimination between the spouse or domestic partner of employees.

The Ordinance covers any employee working on the specific contract referenced above, but only for the period of time while those employees are actually working on this specific contract.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

(Employee Benefits does not include benefits that may be preempted by federal or state law.)

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, or in the application of these employee benefits, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of the Ordinance, and after having exhausted all remedies with your employer,

You May . . .

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento
Procurement Services Division
5730 24th Street, Bldg. 1
Sacramento, CA 95822

- Bring an action in the appropriate division of the Superior Court of the State of California against the Employer and obtain the following remedies:
 - Reinstatement, injunctive relief, compensatory damages and punitive damages
 - Reasonable attorney's fees and costs

Attachment B



YOUR RIGHTS UNDER THE CITY OF SACRAMENTO'S NON-DISCRIMINATION IN EMPLOYEE BENEFITS CODE

If your employer provides employee benefits, they must be provided to those employees working on a City of Sacramento contract without discriminating between employees with spouses and employees with domestic partners.

The included employee benefits are:

- Bereavement leave
- Disability, life and other types of insurance
- Family medical leave
- Health benefits
- Membership or membership discounts
- Moving expenses
- Pension and retirement benefits
- Vacation
- Travel benefits
- Any other benefits given to employees

If you feel you have been discriminated against by your employer . . .

You May . . .

- Submit a written complaint to the City of Sacramento, Contract Services Unit, containing the details of the alleged violation. The address is:

City of Sacramento
Procurement Services Division
5730 24th Street, Bldg. 1
Sacramento, CA 95822
- Bring an action in the appropriate division of the Superior Court of the State of California against the employer and obtain reinstatement, injunctive relief, compensatory damages, punitive damages and reasonable attorney's fees and costs.

Discrimination and Retaliation Prohibited.

If you feel you have been discriminated or retaliated against by your employer in the terms and conditions of your application for employment, or in your employment, because of your status as an applicant or as an employee protected by the Ordinance, or because you reported a violation of this Ordinance . . .

You May Also . . .

Submit a written complaint to the City of Sacramento, Contract Services Unit, at the same address, containing the details of the alleged violation.