



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

www.cityofsacramento.org

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Review Item 01

Title: (Agreement/Contract for Review) Agreement: Utility Bill Print, Insert, Mail and Electronic Presentment and Payment Services

Location: Citywide

Recommendation: Accept and publish for review a Motion: 1) authorizing the City Manager or the City Manager's designee to sign a Professional Services Agreement with KUBRA America West Inc. to provide Utility Billing and Payment services, for an initial one year term, with up to four one-year options, for an amount not to exceed \$5,257,400 for the maximum potential five-year term, and 2) approving the one-year renewals, provided that sufficient funds are available in the budget adopted for the applicable fiscal year; and continue to June 6, 2017 for approval.

Contact: Susan Goodison, Business Services Manager, (916) 808-8995; Chuong (Ryan) Pham, Program Manager, (916) 808-4928; Adam Roitman, Program Analyst, (916) 808-1284; Department of Utilities

Presenter: None.

Attachments:

1-Description/Analysis

2-KUBRA Professional Services Agreement

Description/Analysis

Issue Detail: Staff recommends Council award a professional service agreement to KUBRA America West Inc. to provide Utility Bill Print and Payment services. The Department has an ongoing need for printing and mailing of utility bills and letters, payment by phone utilizing interactive voice recognition system, online via a vendor hosted website or with Utilities Customer Service, and electronic bill presentment. In addition, services include various payment options for customers including automatic recurring payments using an electronic check or credit card using the vendor hosted website or one-time payments using an electronic check or credit card over the phone or online using the vendor hosted website.

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.

Economic Impacts: None.

Environmental Considerations: 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: On June 30, 2017, the existing agreement to provide utility bill print, insert, mail and electronic bill presentment and payment services will expire. The recommendation from staff follows a competitive RFP process. An evaluation panel consisting of members from the Business and Integrated Planning Division of the Utilities Department, Information Technology Department and Consolidated Utility Billing and Services of Sacramento County reviewed two proposals submitted. The evaluation panel selected the proposal submitted by KUBRA America West Inc. as the top ranked proposal. KUBRA America West Inc. 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 550 clients across North America. Following the evaluation process, City staff negotiated terms and conditions and a detailed scope of work, as set forth in the proposed agreement. Also, if the above services are interrupted, the Department may not be able to mail utility bills and letters or collect payment of various utility services fees.

Financial Considerations: The cost of the service for the initial year, Fiscal Year 2017/18, is \$1,042,299, and the total amount is not to exceed \$5,257,400 for the maximum potential five-year term. The agreement includes print and mail services, electronic commerce and mobile solutions, postage, tax, and professional services for implementation of changes as needed.

<u>Year</u>	<u>Amount</u>
Base period (through June 30, 2018)	\$ 1,042,299
Year 2 (7/1/2018 – 6/30/2019)	\$ 1,046,665
Year 3 (7/1/2019 – 6/30/2020)	\$ 1,051,251
Year 4 (7/1/2020 – 6/30/2021)	\$ 1,056,065
Year 5 (7/1/2021 – 6/30/2022)	\$ 1,061,120
Total Not to Exceed Amount:	\$ 5,257,400

Sufficient funding will be available in the Department of Utilities' FY 2017/18 Operating Budget to fund the Utility Bill print and Payment services upon the City Council approving the proposed budget in June 2017. Renewal of the term for successive fiscal years after June 30, 2018 will be subject to funding availability in the adopted budget of the applicable fiscal year.

Local Business Enterprise (LBE): The LBE requirement was waived prior to the release of the request for proposal, as there are no known local vendors for this service.

PROJECT NAME: Utility Bill Print, Insert, Mail and Electronic Presentment and Payment Services
AGREEMENT TERM: One Year
AUTHORIZED RENEWALS: Four
DEPARTMENT: Utilities
DIVISION: Business and Integrated Planning
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 America West, Inc.
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 the 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 the services: (a) CONTRACTOR notifies CITY and CITY agrees that the 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 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 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 CONTRACTOR to perform services pursuant to this Agreement. CITY shall furnish to CONTRACTOR only the

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

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, which 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 relating to the scope of services or payment therefor, the General Provisions shall control over those terms or conditions.
5. **Non-Discrimination in Employee Benefits.** This Agreement may be subject to the requirements of Sacramento City Code Chapter 3.54, Non-Discrimination in Employee Benefits by City Contractors. A summary of the requirements of Sacramento City Code Chapter 3.54, entitled "Requirements of the Non-Discrimination in Employee Benefits Code," can be viewed at: <http://portal.cityofsacramento.org/Finance/Procurement/Standard-Agreements>. By signing this Agreement, CONTRACTOR acknowledges and represents that CONTRACTOR has read and understands these requirements and agrees to fully comply with all applicable requirements of Sacramento City Code Chapter 3.54. If requested by CITY, CONTRACTOR agrees to promptly provide such documents and information as may be required by CITY to verify CONTRACTOR's compliance. Any violation by CONTRACTOR of Sacramento City Code Chapter 3.54 constitutes a material breach of this Agreement, for which the CITY may terminate the Agreement and pursue all available legal and equitable remedies.
6. **Considering Criminal Conviction Information in the Employment Application Process.** This Agreement may be subject to the requirements of Sacramento City Code Chapter 3.62, Procedures for Considering Criminal Conviction Information in the Employment Application Process. A summary of the requirements of Sacramento City Code Chapter 3.62, entitled "Ban-The-Box Requirements," can be viewed at: <http://portal.cityofsacramento.org/Finance/Procurement/Standard-Agreements>. By signing this Agreement, CONTRACTOR acknowledges and represents that CONTRACTOR has read and understands these requirements and agrees to fully comply with all applicable requirements of Sacramento City Code Chapter 3.62. If requested by CITY, CONTRACTOR agrees to promptly provide such documents and information as may be required by CITY to verify CONTRACTOR's compliance. Any violation by CONTRACTOR of Sacramento City Code Chapter 3.62 constitutes a material breach of this Agreement, for which the CITY may terminate the Agreement and pursue all available legal and equitable remedies. CONTRACTOR agrees to require its subcontractors to fully comply with all applicable requirements of Sacramento City Code Chapter 3.62, and include these requirements in all subcontracts covered by Sacramento City Code Chapter 3.62.
7. **Additional Requirements for Surveying, Material Testing, and Inspection Services.** If this Agreement includes any land surveying, material testing, or inspection services provided for a City construction project, during the design, pre-construction, construction, or post-construction phases of the project, the Contractor and any subcontractor or subconsultant performing any such services shall comply with the provisions specified in Exhibit E.

8. **Authority.** The person signing this Agreement for CONTRACTOR represents and warrants that he or she is fully authorized to sign this Agreement on behalf of CONTRACTOR and to bind CONTRACTOR to the performance of its obligations hereunder.
9. **Exhibits.** All exhibits referred to herein and attached hereto, and the "Requirements of the Non-Discrimination in Employee Benefits Code" and "Ban-The-Box Requirements" described above, 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: Howard Chan, City Manager

APPROVED AS TO 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	Additional Requirements for Surveying, Material Testing, and Inspection Services

CONTRACTOR:

KUBRA America West, Inc.

NAME OF FIRM

330935029

Federal I.D. No.

2268134

State I.D. No.

150429

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

Rick Watkin, President - CEO

Print Name and Title

Additional Signature (*if required*)

Print Name and Title

EXHIBIT A
PROFESSIONAL SERVICES AGREEMENT

SCOPE OF SERVICES

1. Representatives.

The CITY Representative for this Agreement is:

*Adam Roitman/Program Analyst
1395 35th Avenue, Sacramento, CA 95822
916-808-1284 / aroitman@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. Braden Short/Vice President, North American Sales & Client Relations
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 or e-mail 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. Insurance. Insurance requirements are specified in Exhibit D, Section 11.

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 ☒ 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 the date of award through June 30, 2018. 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 the 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 Proposal (RFP) # P17141631001, 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 [Full service IMB - Replaces the Current IMB; Full service IMB provides an ability to track inbound mail pieces)
2. DocWeb [Includes a preproduction environment for testing, as well as, Message manager, Insert manager, Target manager, Proofing manager and Document Template Manager (DTM)]
 - DTM [Self-management of all letter templates requirements]
 - 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 bill delivery applications (e.g. EBPP, Bank Consolidation and Secure Email Delivery)]
 - 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 [Allows Biller Funded or Customer funded (convenience fee based) solution for customers paying via ACH/debit/credit cards]
 - PUSH Email Billing [Secure Email Delivery 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 <i>traditional</i> 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 browser, 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 and Android app stores]
5. iDoxs Platform Modules	[Enterprise facing modules]
DoxsCapture	[Capture, indexing, review, editing and release of digital images into iDoxs]
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 iMail 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 # P17141631001, 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. **SLA change** from Platinum to Platinum Plus
- b. **Migration of current bill template to color** OR migration to elimination of pre-printed forms (Current template design)
- c. **Proofing Manager (Previous/Release)** – Users will be able review and approve documents and exceptions online.
- d. **Document Template Manager (DTM)** - Migration of up to 25 letters and training allowing the City to add and edit templates in a self-service capacity
- e. **IMB** (Move to Full Service) - Allows you to track your mail
- f. **Postal Indicia** (CONTRACTOR shall use indicia on mailing envelopes that does not show the city or zip code from where the piece was mailed).
- g. **i-Mobile solution** (Addition of Mobile App)
- h. **Pay-by-Text**
- i. **Real time payments posting** – If the City chooses to add a real time payment posting
- j. **New cartridges for i-Connect - FIS** (Note: CITY receives payments through CITY Financial Institution today)
- k. **i-Lockbox solution**
- l. **EZ-PAY** - Deployment of the EZ-PAY solution which supports Biller Funded or Customer funded (convenience fee based) one-time payment solution (if convenience fee, transactional pricing to be determined).
- m. **EZ-PAY Retail Cash Payments (RCP)** - Support for cash payments at third party retailers and integrated within KUBRA EZ-PAY.
- n. **i-Message** - Interactive outbound messaging for enrolled and non-enrolled customers
- o. **PDF Bills** to Citywide Content Management System (CCM)
- p. **CC&B Upgrade - 50 hours** of this implementation will be no charge*
- q. **Analytics - SSO** between Kubra and MDM (Badger) - Feature Support*

*Additional Implementation Costs apply based on Time/Work effort at CONTRACTOR hourly rates

CITY and CONTRACTOR will meet to discuss the implementation schedule for the above and will mutually agree on which items will be implemented and when they will be implemented.

ii. 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 DTM 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

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 CS system 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 IMB) 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, and perforated form that "tri-folds" into a #10 window envelope, barcoded per industry standard. The documents are printed in black.
- Materials – CONTRACTOR shall supply and store all material needed for billing. Paper and supplies are stored in a temperature controlled environment.
- Envelopes – Envelopes will use the City of Sacramento logo and required graphic standard colors of Dark Blue PMS 541, Lt Blue PMS 284 and Gold PMS 467. The font includes Garamond and Gill Sans. Other text will use different font and color. 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.

Part II: DOCWEB

Client portal allowing online self-management of the following:

- Insert Manager
- Message Manager
- Proofing Manager
- Document 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 CITY branded summary and detailed electronic formats (PNG with PDF download) 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 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 PNG (PDF download) 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 PNG (PDF download) 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 inquiries/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 any pay-any-one networks supported by KUBRA
- 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, 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 enroll 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 City 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 (Bank consolidation/Distribution)

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 Bank consolidation/distribution networks.
- Capture and processing of remittance data specific to the network

Module Functions:

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

1. Enrollment

Establishment of the validation and authentication elements to support activation requests from Bank consolidation/distribution networks

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

2. Bill Delivery

- Bank consolidation/distribution specific bill detail templates and data structures (account number, account name, due date, and amount due) for summary bill distribution and reporting into Bank consolidation/distribution networks.
- Capture of the Bank consolidation/distribution event tracking and customer care reporting tools.
- Security protocols for Biller Direct and Bank consolidation/distribution.
- 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 Bank consolidation/distribution Fto 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 biller funded or consumer funded (convenience fee) 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 iDoxs 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 IV: EZ-PAY Retail Cash Payments (RCP)

Includes:

- Support for cash payment integrated within KUBRA EZ-PAY. KUBRA EZ-PAY also supports enrolled and one-time payment types - ACH, Credit Card, Signature Debit, and ATM PIN-less Debit.
- Consolidated "dashboard" console that supports payment management, payment types, reporting, and payment administration

- Provider to facilitate cash payment using EZ-Payslip, mobile phone, or barcode printed on customer's bill (To print barcode on bill requires Provider composition customer data)
- Capability for customer to reuse EZ-Payslip to pay any amount
- Map Service that permits customers to select convenient retail location to make cash payments
- Real-time post to customer account capability
- Real-time notification system that provides Billers and Customers immediate notifications when cash payments have been made at retailer
- Additional retail locations will be added as walk-in payment network expands
- Cash payments collected at retailer on behalf of Biller are automatically settled directly to Biller's designated bank account
- Automated consolidated remittance file including cash data provided next business day or as directed by Biller
- Includes the daily gathering of payment order transactions from the application, the creation of payment order files in the specified format, and the consolidation of all remittance data into one pre-defined format for A/R posting
- Real-time payment validation for cash payment accounts
- Automated proactive alert and notifications system (SMS, e-Mail)

Note:

- A platform change is required in order for CONTRACTOR to support RCP for the CITY.

Part V: iDoxs Platform Modules [enterprise facing modules]

A. iDoxs Platform

Number of systems:	1 system / up to 3 data file structures
Number of applications/templates:	Up to 50 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 PNG presentment (PDF download of documents) 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 72-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 5:00AM to 5:00PM 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 iDoxs.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 – PNG 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. iDoxs.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 (PNG), download (PDF), 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 CS 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 Biller Direct 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. 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 (As detailed within this Exhibit 1, Section 5 - Performance Standards/Service Level Agreement (SLA)).
- 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.

B. 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.

C. 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.

D. Facility Location, Disaster Recovery, and Security

The CONTRACTOR shall have a disaster recovery plan to ensure 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 1 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.

E. 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.

F. 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.

G. 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.

H. Management Reporting

The CONTRACTOR shall provide online reporting capabilities supporting a series of self-service features, for both the electronic Biller Direct and mobile bill presentment and payment solutions and Bank Consolidation/Distribution, 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.

I. 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.

5. Performance Standards/Service Level Agreement (SLA)

CONTRACTOR shall provide services consistent with the attached Enterprise Service Level Agreement.

General:

PROVIDER shall provide reports of its performance against the Service Levels on a monthly basis. Service Levels shall be applicable 90 days after the Production-Ready Date.

Provider will use commercially reasonable efforts to provide the Services in accordance with the performance standards ("Service Levels") set forth in the Service Level Schedule. Performance at or above a Service Level shall constitute satisfactory performance by Provider. In the event that, at any time, a monthly Service Level report shows any material failure by Provider to meet any of the Service Levels, Provider shall: (i) within thirty (30) days after the date of delivery of such report, deliver to Client a remedial plan showing in reasonable specificity and detail (A) Provider's findings regarding the causes for such failure to meet Service Levels and (B) a remedial plan of actions reasonably designed to eliminate, prevent or reduce the future likelihood of recurrence of such causes; and (ii) diligently proceed to carry out such plan. Except for Client's right to terminate for material breach in accordance with Section 9 hereof (in the event that repeated, frequent, or specific material failures by Provider to meet Service Levels constitute a material breach of this Agreement), the foregoing shall constitute the sole and complete remedy for Client with respect to the corresponding failures by Provider to meet Service Levels.

Timeliness of Implementation

The implementation time line starts from the date of contract signing (Effective Date) and is primarily based on the number of print streams to be parsed, the number of templates to be created, as well as the number of non-standard features required. Once the Client implementation documentation is completed, the number of print streams is known, and the number of bill templates is known, then PROVIDER can calculate how long the implementation will take. PROVIDER will present a draft project plan during the kick-off meeting and Client will then have the opportunity to determine if it will meet the time estimates PROVIDER has identified for the Client's tasks. Once both the Client and PROVIDER have agreed on the project plan, every effort on both parties part must be made to meet this time line. Potential delays must be identified at least as soon as known, so that both parties can make suitable adjustments to the time line.

If PROVIDER is the cause of the project's delay, PROVIDER will make every reasonable effort to resolve the issue (s), including applicable internal escalation procedures, in order to ensure that the issue(s) will be resolved and new completion times will be estimated.

If the Client is the cause of the project's delay, the Client will make every effort to resolve the issue (s). Failure to resolve the issue(s) in a timely manner (fifteen (15) business days), which causes PROVIDER assets to be idle, will result in the reassignment of said assets to other projects and the Client's project will be moved to the PROVIDER project queue to be rescheduled as soon as the above mentioned resources become available.

Management Reporting Frequency and Content

PROVIDER will supply daily, weekly and monthly reporting, as needed, to the Client accessible via the DocWeb and the iDoxs Admin Console. A complete list of all reports accessible via this application is available in the DocWeb and iDoxs product user guides.

Replacement Systems

In the event that any applicable system or function used by PROVIDER to provide a Service is replaced during the Term by a comparable system or function, the Service Level shall, to the extent reasonably practicable, be defined during the first sixty (60) days of operation of such replacement system or function, provided that such Service Level shall be established at a level intended to achieve performance at least the same as or better than performance under the Service Level associated with the replaced system or function.

Storage

Standard retention period for bill images is seventy two (72) months and thirty-six (36) months for payment history, if applicable. Historical bill images and payment history may be loaded into the Service at the election of Client; such election will be noted in the Services Fee Schedule, if applicable. Purging of Client data, beyond the selected retention period described in the Services Fee Schedule, will be at the election of PROVIDER. Provider is not the system of record and the Client has the obligation to retain customer data on

a permanent basis, or for any other Client need, and agrees that the loss or destruction of any such data will not result in any liability to PROVIDER.

Additional Storage

PROVIDER may provide storage services for Client Data beyond the standard period included in the Services, at the election of Client, which will be invoiced at the then-current Additional Storage Fee rate and described in the Services Fee Schedule.

Account Volume Growth

Batch windows and service levels are based on current account volumes as of the Commencement Date. Batch windows and service levels may be adjusted by PROVIDER in consultation with Client should account volumes exceed 20% growth in a given month.

Commitment to Data Security

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

Commitment to Continuous Application and Technology Upgrades

PROVIDER will upgrade systems and application technology regularly in order to provide the most efficient servicing for our Clients. Planned system upgrades will be reported to the Client via an e-mail notice. Upon giving reasonable advance notice to Client, PROVIDER at its expense may make any modifications, changes, adjustments or enhancements to the Services, which it considers being suitable or which are required by law or governmental regulation.

Documentation of Changes

Any additions or modifications to Service Levels shall be documented in a written amendment to the Agreement

Client Support:

Support Hours

Post Production, PROVIDER will provide client support weekdays 8:00 am ET to 8:00 pm ET, excluding holidays. Client support required at another time will be based upon the severity of the problem. Contact will be made in accordance with the support defined below.

Telephone support services, available Monday to Friday 8:00 am ET to 8:00 pm ET excluding holidays, will include assistance related to routine questions regarding use of DocWeb and the KUBRA iDoxs Suite applications, assistance in identifying and verifying the causes of suspected errors or malfunctions in the applications, advice on detours for identified errors or malfunctions, where reasonably available and correction of reproducible errors of the applications that cause the applicable applications to deviate materially from the applicable documentation.

After Hours Support

PROVIDER will provide support outside of regular business hours as needed. Although your dedicated support team will be unavailable, general support will still be available for any Production related issue. With that in mind please attempt to make solution specific requests for changes during business hours and use after hours support for service interruptions and issues.

On-site Support

On-site services will be provided at the Client's reasonable request. PROVIDER shall charge Client for such on-site services at PROVIDER's then-current rates, plus reasonable travel costs and other out-of-pocket expenses directly incurred in performing such services, provided Client has agreed to pay for on-site services in advance. However, Client shall have no obligation to pay for services rendered as a result of a failure of the PROVIDER solution to satisfy the Service Level Agreement set forth herein, where PROVIDER determines in its sole discretion, that such services must be performed on-site at Clients premises.

Escalation Procedures



Enterprise Service Level Agreement

In order to properly track and monitor, all issues must be reported to PROVIDER Support via the dedicated 800 telephone number and / or to clientsupport@KUBRA.com. Client may also elect to escalate an issue directly to your dedicated Client Relationship Manager.

Service Levels – i-dox Suite:

System Availability

PROVIDER shall make access available to the Services twenty-four hours per day, seven days per week, less (a) scheduled maintenance; and (b) excusable downtime resulting from events beyond PROVIDER's reasonable control (the "Availability Period"). PROVIDER will conduct proactive monitoring of all servers, including monitoring disk space, CPU utilization, memory utilization and critical error messages. PROVIDER will take commercially reasonable efforts to notify Client in advance of any potential server outages or equipment failures that would prevent Client from using the Services. PROVIDER will provide support 24 hours per day, 7 days per week, to all servers. PROVIDER will maintain at least 99.9 percent (99.9%) server availability during the Availability Period, which availability shall be measured monthly and based on a system-wide average. Events that are beyond the control of PROVIDER, such as web brownouts, consolidator/payment processor unscheduled downtime, and scheduled maintenance are not included.

Scheduled Maintenance

PROVIDER will schedule all routine system maintenance, hardware and software upgrades, and network changes from 2AM ET to 6AM ET each Sunday. The scheduled maintenance window will not apply towards the Availability Period.

Notice for Changes

PROVIDER will take commercially reasonable efforts to provide 72 hours advance notice for any unscheduled system maintenance.

Response Time

PROVIDER will take commercially reasonable efforts to maintain an internal response time of five (5) seconds or less for all transactions from the time they arrive at the PROVIDER firewall until they are delivered back to the firewall.

Parsing and Presentment

Upon PROVIDER's receipt of the document data from Client, PROVIDER will process and load the customer documents, no later than the time frame mutually agreed to after receipt. All regularly scheduled files received for parsing and presentment will be processed within twenty four (24) hours of receipt by PROVIDER unless otherwise specified and agreed upon with Client. Receipt of the file is identified as the successful completion of the transmission of the file and the relevant return code confirming successful transmission. In the event of exceptionally large, additional, missed, or the reprocessing of files, special arrangements must be made with PROVIDER client support to determine a mutually agreeable schedule for delivery.

E-mail Delivery

E-mail messages will be made available to applicable customers within eight hours of the event that triggers the message. Events that are beyond the control of PROVIDER, such as web brownouts and scheduled maintenance are not included in this time commitment.

Payment Processing and Posting

If Client elects to accept ACH payments, PROVIDER shall create (a) a daily ACH file to be electronically transmitted to the designated financial institution on each business day (Monday through Friday, excluding Bank holidays), for the total amount of the transactions processed, in accordance with the terms and conditions set forth herein; and (b) a separate Accounts Receivable file that is consistent with the ACH file and (c) that PROVIDER will post the Accounts Receivable (A/R) file each day on a specified FTP server for Client at a mutually agreed-upon time.

If Client elects to accept Credit / Debit cards, PROVIDER shall authorize those transactions on a real time basis with the chosen credit card processor and provide a nightly settlement file to the credit card processor for verification. The Credit Card Processor will be responsible for depositing the funds to you designated bank account.

Service Levels - iMail: Provider will support the PLATINUM Plus SLA for the Client

Platinum and Platinum Plus:

The Platinum Service Level Agreement for document production and distribution provides 12-hour turnaround time 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 SLA (Service Level Agreement)

Gold:

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

File Receipt Schedule:

Service Level	File Receipt (Mon-Fri)	Postal Delivery
Platinum and Platinum Plus	Prior to 6:00 AM	Same Day (6:00 PM)
Gold	Prior to 6:00 PM	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 for same day delivery (6:00 PM). 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).
- USPS mail centers do not accept pre-sorted mail on Saturdays or National holidays so files received beyond 6:00 AM on Friday or the day before a national holiday will not be delivered to the USPS until Monday or the first business day after the holiday.
- Errors in data files that require delayed processes and additional delivery of billing files will further impact PROVIDER's ability to adhere to the noted SLA.
- If there is a Data error 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 from Billers that are required to be implemented for full production with respect to the production run in question may delay PROVIDER's ability to executed on the noted SLA
- During the first week of each month all SLA's are migrated to the *lower* classification to support monthly increases during this time frame (i.e. A Client that is supported by a Platinum SLA would received Gold SLA during the first week of each month). Does not apply to Platinum Plus
- 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 accepted however the SLA will be migrated to the *lower* classification (i.e. A Client 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.
- All of the above times are in Eastern Standard Time (EST)

Services Level Failures:

Excused Performance Problems

PROVIDER shall not be liable to Client for any failure to meet a Service Level to the extent that such failure is attributable to: (i) a Force Majeure event; or (ii) acts or omissions of Client; or (iii) breaches of the Agreement by Client. The foregoing is referred to herein collectively as an "Excused Performance Problem."

Single Point of Contact

Regardless of whether any failure by PROVIDER to meet a Service Level is attributable to PROVIDER or an Excused Performance Problem, and without limitation on PROVIDER's obligations to address such failure as otherwise specified in this Agreement, PROVIDER shall provide a single point of contact in the form of a toll-free number to address resolution of such failure and shall act promptly to address the problem causing the failure.

Incident Management

All incidents that occur and affect Client directly and/or indirectly will be managed to resolution by your Support Team with ongoing communication to Client. Resolution of incidents at PROVIDER is facilitated through:

- Provider incident management 7 X 24 based on the severity of the issue defined hereto.
- PROVIDER analysts will track incidents to ensure that they are resolved in a timely manner. Resolution may be in the form of a transfer to the Client's own support service where appropriate.
- Escalation of any incident to PROVIDER management at any time.
- Communication to all necessary parties as detailed in the contact lists agreed with the Client.
- Classification of the severity level of each incident in accordance with PROVIDER's Incident Classification Standard
- Integrity and completeness of Incident records.

Incident Classification Standard

Provider shall use all commercially reasonable efforts to respond to incident reports according to the following schedule. Core Application changes, enhancements, IT Development Request Forms (ITDRF) are managed outside of the documented Incident Management Processes.

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

Incident Classification Definition

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

Action Classification

Action 1	Acknowledgement of receipt of reported issue or error
Action 2	Provide patch, workaround, temporary fix and document corrective action
Action 3	Official object code fix, update or major release and/or updated documentation

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.

Note: Business days are Monday to Friday, excluding national holidays.

Service Level Non-Conformance Credits and Penalties

Professional Service credits are based upon the total number of hours for a given request.

Percentage based service level credits below are based on the total monthly invoice amount for the month (pertaining to the applicable service only) in which the service level failure occurred and shall be provided to Client on the next month's invoice. Service Level Penalties do not apply to postage and consumables (paper and envelopes).

Description	Examples of Non-Conformance	Non-Conformance Credits & Penalty
Timelines of presentment and receipt of bill data on the Biller Direct Site (i.e., the processing of bill file received from the biller every business day so they are available to the consumer within 12 hours of receipt of the bill file) – The Provider shall demonstrate that > 99.9% of all files are processed within the specified window and/or state associated penalties.	< 99.9% of all files are processed within the 12 hour window	<ul style="list-style-type: none"> First occurrence in a month = 2% Second occurrence in a month = 4% Third occurrence in a month = 6%
Timelines for sending payment data for a biller-direct site using the Client's financial Institution for payment processing (i.e., payments requested before the cut-off time, the Provider will create a payment instruction file every banking day and send a payment instruction file to the predefined financial institution for payment processing) – The Provider shall demonstrate that > 99.9% of all payment files are processed by the Provider within a specified window and/or state associated penalties.	< 99.9% of all payment files are processed by the Provider within a specified window and/or state associated penalties.	<ul style="list-style-type: none"> First occurrence in a month = 2% Second occurrence in a month = 4% Third occurrence in a month = 6%
E-mail messages are expected to be made available to customers within four (4) hours of the event that triggers the message. The Provider shall be required to deliver all e-mail content to customers or consumers within four (4) hours of the event that triggered the message and/or state associated penalties.	Email not delivered within four hours or trigger	<ul style="list-style-type: none"> First occurrence in a month = 2% Second occurrence in a month = 4% Third occurrence in a month = 6%
Systems Availability via the Internet for all e-bill application and IVR supported by the Provider – The Provider is expected to maintain a 99.9% system uptime, except for scheduled maintenance requiring advanced notice. Advanced notice must be posted to customers forty-eight (48) hours in	<99.9% system uptime	<ul style="list-style-type: none"> First occurrence in a month = 2% Second occurrence in a month = 4% Third occurrence in a month = 6%

Enterprise Service Level Agreement

advance via the website and via IVR. If system availability falls below 99.9%, the Provider is expected to pay penalties.		
iMail Platinum Plus SLA requires that the files arrive and are approved / released (if applicable) prior to 6:00 AM EST for same day delivery (6:00 PM EST). Files received from 6:01 AM to 6:00 PM will be produced next day (by 6:00 PM).	Files not delivered same day	<ul style="list-style-type: none"> ▪ \$0.05 per bill (Applies to the day of impacted/late bill cycle)
Any errors, caused by the CONTRACTOR or a third party working with or for the CONTRACTOR, including but not limited to duplicated, missing, misprinted 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.	100 or more duplicated, missing or misprinted bills and inserts,	<ul style="list-style-type: none"> ▪ \$0.05 per erroneous document
Professional Service Credits (Support Cases) - Provider shall respond to Client based on the service level standards outlined in the Incident Classification Standards. Provider will provide the initial severity level to Client within 5 business days of the submission of the incident. Client and Provider shall partner to determine severity level. Initial acknowledgement of incidents reported via email shall happen within 1 hour. Agreeable resolution shall happen within timeframe specified in Incident Classification Standards Service Level Agreement and communication shall be provided throughout the incident management process. Core application changes, enhancements and IT Development Request Forms (ITDRF) are exempt.	Per occurrence (reported to Provider by Client).	<ul style="list-style-type: none"> ▪ Per Severity Level 1 occurrence = \$495.00 (3 hours) ▪ Per Severity Level 2 occurrence = \$330.00 (2 hours) ▪ Per Severity Level 3 occurrence = \$165.00 (1 hour) ▪ Per Severity Level 4 occurrence = \$165.00 (1 hour)

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 \$5,257,400 for the maximum five year term of this Agreement, consisting of the following maximum amounts for each one-year term: \$1,042,299 for Base period; \$1,046,665 for Option period 2; \$1,051,251 for Option period 3; \$1,056,065 for Option period 4; and, \$1,061,120 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, 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/Project Name
 - (2) CITY's current Purchase Order Number
 - (3) CONTRACTOR's Invoice Number
 - (4) Date of Invoice Issuance
 - (5) Work Order Number (if applicable)
 - (6) CITY representative identified on the Purchase Order
 - (7) CONTRACTOR's remit address for payment
 - (8) Description of services billed under Invoice
 - (9) Amount of Invoice (itemize all authorized Reimbursable Expenses)
 - (10) Total Billed to Date under Agreement
 - 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 above.

D. Submitting Invoices:

- (1) **Email.** Submit email invoices and any attachments to:

apinvoices@cityofsacramento.org

- (2) **Postal mail.** If emailing invoices and attachments is not an option, mail to:

A/P PROCESSING CENTER
CITY OF SACRAMENTO
915 I ST FL 4
SACRAMENTO CA 95814-2608

5. **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 the 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 the Additional Services.
6. **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 the records available for inspection and audit by representatives of the CITY upon reasonable written notice.
7. **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 the 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.

Initial Set Up Cost (Implementation & Configuration):	
Implementation & Configuration of the following systems, applications, and functionalities in accordance with the business requirements of the City to provide Utility Bill Printing, Mailing and e-Billing/Payment Services are included in this fee (unless otherwise noted below*):	\$0.00*
Changes to current solution (for the City to consider at no cost)	
a)	SLA change from Platinum to Platinum Plus
b)	Migration of current bill template to color OR migration to elimination of pre-printed forms (Current template design)
c)	Proofing Manager (Previous/Release) – Users will be able review and approve documents and exceptions online
d)	Document Template Manager (DTM) – Migration of up to 25 letters and training allowing the City to add and edit templates in a self-service capacity
e)	IMB (Move to Full Service) – Allows you to track your mail
f)	Postal Indicia (CONTRACTOR shall use indicia on mailing envelopes that does not show the city or zip code from where the piece was mailed)
g)	i-Mobile solution (Addition of Mobile App)
h)	Pay-by-Text
i)	Real time payment posting – If the City chooses to add a real time payment posting
j)	New cartridges for i-Connect – FIS (Note: CITY receives payments through CITY Financial Institution today)
k)	i-Lockbox solution
l)	EZ-PAY – Deployment of the EZ-PAY solution which supports Biller Funded or Customer funded (convenience fee based) one-time payment solution (if convenience fee, transactional pricing to be determined)
m)	EZ-PAY Retail Cash Payments (RCP) - Support for cash payments at third party retailers and integrated within KUBRA EZ-PAY
n)	i-Message – Interactive outbound messaging for enrolled and non-enrolled customers
o)	PDF Bills to Citywide Content Management System (CCM)
p)	CC&B Upgrade - 50 hours of this implementation will be no charge*
q)	Analytics - SSO between Kubra and MDM (Badger) - Feature Support*

****Additional Implementation Costs apply based on Time/Work effort at CONTRACTOR hourly rates**

Service Fees

Package Financials: Printing & Mailing Services (See Processing Definitions below.)	Processing Fee (1 oz.) per 1,000	\$0.00
	Processing Fee (more than 1 oz.) per 1,000	\$0.00
	Impressions (Black printing)	\$0.015
	Impressions (Color printing)	\$0.020
	Inserting Fee (Automated 1-7 pages)	\$0.02
	Inserting Fee (Automated 8+ pages)	\$0.35
	NCOA Fee	\$0.00
	Insert Charges	\$0.00
	IMB – Full Service	\$0.00

Material (Consumable) Fees

Package Financials: Printing & Mailing Itemized cost for each type of material required for printing/mailing (See Consumable Definitions below.)		Base Year and Optional Years 1 through 4
	Form Fee – Bill Stock Pre-printed 1/0 24#	\$0.015
	Form Fee – Bill Stock (Plain White) 24#	\$0.012
	Form Fee – Notices (Plain White) 20#	\$0.012
	Form Fee – Notices (Color / Standard) 20#	\$0.012
	Form Fee – Notices (Color / Perforated) 20#	\$0.050
	Outer mailing Envelope (OME) #10 – Current	\$0.01948
	Outer mailing Envelope (OME) #10 – 1 color	\$0.01873
	Outer Mailing Envelope 9x12	\$0.29
Postage	Business Reply Envelope (BRE) #9	\$0.01877
	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:

- Fee above includes all costs and assumes one page duplex print in Black or Color (Black or Color fee applied per application)
- 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).
- CONTRACTOR reserves the right to increase consumable pricing (paper and envelopes) based on an industry-wide increase which is established through public articles from at least two pulp and paper mills. No increase is permitted within year 1 of the contract and subsequent increases will be limited to 5% per year, if applicable.
- Upon termination of the Agreement, City is required to pay for any consumable inventory at the noted fees referenced within this schedule.

Processing Definitions

- **Processing Fee:** This fee is applied per image received irrelevant of eventual document production and includes all core document composition activities including: File Transfer, Data Receipt, Data Extraction & Parsing, Document Composition, Business Rules Application, Personalization, Postal Processing, and Print File Construction and Routing.
- **Impressions:** This fee is applied per impression and includes the actual application of the ink on a document. This fee includes the actual service of printing and the ink consumables. Color print is limited to 5-15% ink coverage.
- **Inserting fee (Automated 1-7 pages) – Automated:** This fee includes the intelligent folding and insertion of said documents into an OME (Outer Mailing Envelope). This fee supports up to 5 pages into a number 10 OME.
- **Inserting fee (Automated 8+ pages):** This fee includes the insertion of said documents into an OME (Outer Mailing Envelope). This fee supports up to 50 pages into a 9 * 12 OME.
- **Service Level Agreement: Platinum PLUS (15 hours / See SLA Terms and Conditions)**
- **Insert Charges –** included in the fee above includes up to 5 insert plus the BRE excluding the cost of the materials to be provided to CONTRACTOR
- **NCOA Link Processing –** included in the fee above
- **Fee above includes IMB (Full Service) –** included in the fee above

Consumables Definitions

- **Form Fee – Bill Stock pre-printed 1/0 24# -** Includes 1 standardized 8 1/2 * 11 cut sheet form with a horizontal perforation and pre-printed City of Sacramento logo (1 color).
- **Form Fee – Bill Stock (Plain White) 24# -** Includes 1 standardized 8 1/2 * 11 cut sheet form with a horizontal perforation and no pre-print. City of Sacramento logo and other elements currently pre-printed will be printed on the fly.
- **Form Fee – Notices (Plain White) 20# -** As above with 20# stock
- **Form Fee – Notices (Color / Standard) 20# -** As above with CONTRACTOR standard colors and non-perforated stock
- **Form Fee – Notices (Color / Perforated) 20# -** As above with perforation
- **Outer mailing Envelope (OME) #10 – Current -** A # 10 custom, single window envelope, 24 pound, white wove, within liner, a standard window placement and three colors. Envelope will use the City of Sacramento logo and required graphic standard colors of Dark Blue PMS 541, Lt Blue PMS 284 and Gold PMS 467.
- **Outer mailing Envelope (OME) #10 –** As above printed in black
- **Outer Mailing Envelope 9x12 -** Generic
- **Business Reply Envelope (BRE) #9 -** Includes a standard # 9 business reply envelope (3 3/4 * 8 3/4, glassine single window)

iConnect	Item	Fee
	Bank Consolidation/Distribution fee	\$0.30

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.

iPay & EZ-PAY	Item	Fee
	Price per Payment	\$0.10
	Remittance Fee	\$0.00
	SMS/Text	\$0.05

Notes:

- 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 City Financial Institution. 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.
- Return fees are applied to all returns (e.g., invalid account number, NSF, and NOC for ACH) and are levied directly by the ACH originator to the City.
- The Notification Manager SMS Cartridge can support simple notifications and in-bound payments. SMS pricing does not cover Vanity short Code costs. Our fees include generic short code costs.
- Convenience fee pricing can be provided on request.

iMarket 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.

iDirect Module	Item	Fee
	Electronic View (City Employees & Utility Customers)	\$0.10

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.

Post Implementation Professional Services	Hourly Fee (Bill/Letter or EBPP Modifications/Enhancements/Special Mailing)	Per hour \$165.00
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Notes:

- Adjustments to the in-production system or development
- 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 4 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.

<ul style="list-style-type: none"> Implementation and transactional fees include unlimited user access to the DocWeb application. Document re-design consulting fees are not included in the noted implementation. KUBRA will waive the first 50 Professional Services hours towards the migration to Oracle CC&B. 		
Storage	Item: Total bills stored:	Fee
	Electronic Load Fee	\$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. The Load fee is required to support Customer Service and Customer views. PDF Return of images (PDF Bills to Citywide Content Management System (CCM)) will incur additional charges of \$0.004. Set up charges will apply for KUBRA standard offering Archive accessibility upon contract expiration is available at no additional cost. Electronic access to all available bills, letters and notifications available in iDoxs will be made available for a period of 6 years. Should the contract expire prior to the six year archive period being reached, a flat monthly cost of \$1500 to access iDoxs will apply. 		
Secure E-Mailing	Per e-mail	\$0.04
	Per impression rendered	\$0.02
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 (e.g., a two impression invoice would result in an e-mail charge of \$0.12).		
Courier Preparation	Included per courier package	\$1.50
Note: 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.		
Storage Fee (Inserts/Materials)		Per month:
	1-5 boxes	\$0.00
	6-25 boxes	\$0.00
	Greater than 25 boxes and/or one storage bay	\$0.00
Notes: <ul style="list-style-type: none"> Note: CONTRACTOR charges for the storage of inserts under the following circumstances: Inserts received more than one month prior to insert start date Inserts that have not been run for more than one month A quantity that exceeds a three-month supply. Only applicable if additional storage bays are required 		
Inventory Storage	OME	\$0.00
	BRE	\$0.00
	FORM	\$0.00
Note: CONTRACTOR charges the following for the storage of consumables that are not sourced and provided by CONTRACTOR. All charges are on a per piece basis. A maximum limit of 3 months worth of consumable inventory can be stored at our facilities. Inserts are not included in this fee.		
Inventory Destruction	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

EZ-PAY Retail Cash Payments

Profile / Set-up	
Supported Channels	Mobile Internet Biller Call Center KUBRA Call Center
IVR Languages	Spanish / English
IVR Configuration	Transfer
API integration	CRM Integration
Map Service	Online interactive map service
Customer Authentication	Summary data
Remittance file	Standard / Next business Day
Timelines / Funds availability	Between 2 and 4 th banking business day
Payment Processor	KUBRA Retail Cash Payment
KUBRA Retail Cash Payment Convenience fee*	\$1.99
Payment Types	Cash

*KUBRA Retail Cash Payment fee - **Fee can be Biller absorbed (City) or Customers funded.**

*Fee will be charged for each cash payment on top of bill amounts being paid.

Note: In the event that the City wishes to implement the Retail Cash Payment Services, the City acknowledges that it will need to complete the additional paperwork associated with those Services.

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, photostatting, 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. Any available insurance proceeds in excess of the specified minimum limits and coverages shall be available to the CITY.

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, arising out of

activities performed by or on behalf of CONTRACTOR, its sub-consultants, and subcontractors, products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors, and premises owned, leased, or used by CONTRACTOR, its sub-consultants, and subcontractors, 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 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 accident. 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) Excess Insurance: The minimum limits of insurance required above may be satisfied by a combination of primary and umbrella or excess insurance coverage; provided that any umbrella or excess insurance shall contain, or be endorsed to contain, a provision that it shall apply on a primary basis for the benefit of the CITY, and any insurance or self-insurance maintained by CITY, its officials, employees, or volunteers shall be in excess of such umbrella or excess coverage and shall not contribute with it.

- (4) Workers' Compensation Insurance with statutory limits, and Employers' Liability Insurance with limits of not less than one million dollars (\$1,000,000). The Workers' Compensation policy shall include a waiver of subrogation in favor of the CITY. If no work or services will be performed on or at CITY facilities or CITY Property, the CITY Representative may waive this requirement by selecting the option below:

Workers' Compensation waiver of subrogation in favor of the CITY is not required. (CITY Representative initials)

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)

- (5) 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. Professional Liability (Errors and Omissions) insurance:

Is x Is not [check one] required for this Agreement.

If required, such coverage must be continued for at least one year(s) following the completion of all Services and Additional Services under this Agreement. The retroactive date must be prior to the date this Agreement is approved or any Services are performed.

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, its sub-consultants, and subcontractors; products and completed operations of CONTRACTOR, its sub-consultants, and subcontractors; and premises owned, leased, or used by CONTRACTOR, its sub-consultants, and subcontractors.
- (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, including excess insurance, 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:VI. 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 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) For all insurance policy renewals during the term of this Agreement, CONTRACTOR shall send insurance certificates reflecting the policy renewals directly to:

City of Sacramento
c/o EXIGIS LLC
P.O. Box 4668 ECM- #35050
New York, NY 10168-4668

Insurance certificates also may be faxed to (888) 355-3599, or e-mailed to:
certificates-sacramento@riskworks.com

- (3) 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 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.
20. **Local Business Enterprise Participation Requirements.** If the Request for Qualifications or Request for Proposals issued for this Agreement included Local Business Enterprise Participation Requirements (the "LBE Requirements"), CONTRACTOR shall comply with the LBE

Requirements, which are by this reference incorporated as if set forth fully herein. The LBE Requirements also can be viewed at:

<http://portal.cityofsacramento.org/Finance/Procurement/Standard-Agreements>.

EXHIBIT E
PROFESSIONAL SERVICES AGREEMENT

ADDITIONAL REQUIREMENTS FOR SURVEYING, MATERIAL TESTING, AND INSPECTION SERVICES

Land surveying, material testing, and inspection services provided for a City construction project during the design, pre-construction, construction, or post-construction phases of the project constitute "public works" under California Labor Code section 1720 *et seq.*, and are subject to the requirements of Chapter 1 of Part 7 of Division 2 of the Labor Code and its implementing regulations set forth in Title 8 of the California Code of Regulations. If this Agreement includes any of these services (hereafter collectively referred to as "Public Work"), the Contractor and any subcontractor or subconsultant performing any Public Work shall comply with all applicable requirements of the California Labor Code and the Sacramento City Code, including the following requirements:

1. **Workers' Compensation Certification.** If this Agreement is for the performance of any Public Work, in accordance with California Labor Code section 1861 the Contractor shall sign the following certification:

I am aware of the provisions of section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.


Contractor Signature

2. **DIR Registration.** California Labor Code section 1725.5 requires the Contractor and any subcontractor or subconsultant performing any Public Work under this Agreement to be currently registered with the California Department of Industrial Relations (DIR), as specified in Labor Code section 1725.5. Labor Code section 1771.1 provides that a contractor or subcontractor/subconsultant shall not be qualified to engage in the performance of any contract for public work, unless currently registered and qualified to perform public work pursuant to Labor Code section 1725.5.

To be completed by the City Representative if this Agreement is for the performance of any Public Work:

Contractor DIR registration #: _____

Prior to the performance of Public Work by any subcontractor or subconsultant under this Agreement, Contractor shall furnish City the subcontractor or subconsultant's current DIR registration number.

3. **Payment of Prevailing Wages.** If this Agreement is for the performance of any Public Work, and the amount of the Agreement is more than \$25,000, Contractor and any subcontractor or subconsultant performing any Public Work shall comply with the provisions of Sacramento City Code section 3.60.180 and applicable provisions of California Labor Code section 1770 *et seq.*, which require, among other things, that the Contractor and subcontractor(s)/subconsultant(s) pay not less than the prevailing rate of wages for Public Work, as determined by the Director of the California DIR pursuant to Labor Code section 1773. For any Public Work performed under this Agreement, Contractor and every subcontractor or subconsultant shall maintain payroll records and submit certified payroll records and other labor compliance documentation electronically to City staff when and as required by City. In addition, Labor Code section 1771.4 requires the Contractor and any subcontractor or subconsultant performing any Public Work to furnish electronic payroll records directly to the Labor Commissioner.

This Agreement is subject to compliance monitoring and enforcement by the California Department of Industrial Relations, as specified in Labor Code section 1771.4. The Contractor and any subcontractor or subconsultant performing Public Work will be subject to withholding and penalties for violation of prevailing wage requirements in accordance with applicable law, including Labor Code sections 1726, 1741, 1771.5, and 1775, and City Code section 3.60.180. Questions regarding the City's Labor Compliance Program should be directed to the contracts staff for the City Department issuing this Agreement.

4. **Apprentices.** If this Agreement is for the performance of any Public Work, and the amount of the Agreement is \$30,000 or more, the Contractor and any subcontractor or subconsultant performing any Public Work under this Agreement shall comply with Sacramento City Code section 3.60.190, section 1777.5 *et seq.* of the California Labor Code, and implementing regulations set forth in Title 8 of the California Code of Regulations, governing the employment of apprentices. The Contractor and any subcontractor or subconsultant performing Public Work will be subject to penalties for apprenticeship violations in accordance with Labor Code section 1777.7.
5. **Working Hours.** If this Agreement is for the performance of any Public Work, Contractor and any subcontractor or subconsultant performing any Public Work shall comply with, and be subject to enforcement under, the provisions of Sacramento City Code section 3.60.180 and California Labor Code section 1810 *et seq.*, governing the working hours of employees performing Public Work.
6. **Subcontractors.** The Contractor shall include these provisions in every subcontract or subagreement for every lower-tier subcontractor or subconsultant performing Public Work under this Agreement.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/26/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh USA, Inc. 1166 Avenue of the Americas New York, NY 10036 Attn: NewYork.Certs@marsh.com Fax: 212-948-0500	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS:	FAX (A/C, No):
034835-KUBRA-ALL-16-17 KUBRA	INSURER(S) AFFORDING COVERAGE	
INSURED KUBRA America West Inc. 14105 S Normandie Ave, Suite 2 Gardena, CA 90249	INSURER A: Travelers Property Casualty Co. of America	
	INSURER B: Commerce & Industry Ins. Co	
	INSURER C: Illinois Union Insurance Co	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** NYC-008767351-01 **REVISION NUMBER:** 5

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY			TC2JGLSA-178D3504-TIL-16	07/01/2016	07/01/2017	EACH OCCURRENCE \$ 1,000,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR		DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000				
			MED EXP (Any one person) \$ 10,000				
			PERSONAL & ADV INJURY \$ 1,000,000				
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 5,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ 2,000,000
	OTHER:						\$
A	AUTOMOBILE LIABILITY			TC2JCAP-178D353A-TIL-16	07/01/2016	07/01/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO	<input checked="" type="checkbox"/> SCHEDULED AUTOS	BODILY INJURY (Per person) \$				
	<input checked="" type="checkbox"/> ALL OWNED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS	BODILY INJURY (Per accident) \$				
	<input checked="" type="checkbox"/> HIRED AUTOS		PROPERTY DAMAGE (Per accident) \$				
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE		19962048	07/01/2016	07/01/2017	EACH OCCURRENCE \$ 3,000,000
	DED	RETENTION \$	AGGREGATE \$ 3,000,000				
			\$				
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			TC2JUB-178D3412-16 (AOS)	07/01/2016	07/01/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N	N/A				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
							E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	MEDIA E&O			EON G23669298 005	11/01/2016	11/01/2017	LIMIT 3,000,000
			SIR 750,000				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

City of Sacramento, its officials, employees and volunteers are included as additional insured (except Workers' Compensation) where required by written contract. This insurance is primary and non-contributory over any existing insurance and limited to liability arising out of the operations of the named insured and where required by written contract.

CERTIFICATE HOLDER

City of Sacramento
c/o EXIGIS LLC
P. O. Box 4668 ECM- #35050
New York, NY 10168-4668

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.

Daniel Rivera

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POLICY NUMBER: TC2J-GLSA-178D3504-TIL-16

ISSUE DATE: 07-07-16

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED ENTITY – NOTICE OF CANCELLATION PROVIDED BY US

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS INCLUDED IN THIS POLICY

SCHEDULE

CANCELLATION:

Number of Days Notice of Cancellation: 30

PERSON OR ORGANIZATION:

Any person or organization to whom you have agreed in a written contract that notice of cancellation of this policy will be given, but only if:

1. You send us a written request to provide such notice, including the name and address of such person or organization, after the first Named Insured receives notice from us of the cancellation of this policy; and
2. We receive such written request at least 14 days before the beginning of the applicable number of days shown in this endorsement.

ADDRESS:

The address for that person or organization included in such written request from you to us.

PROVISIONS:

If we cancel this policy for any statutorily permitted reason other than nonpayment of premium, and a number of days is shown for cancellation in the schedule above, we will mail notice of cancellation to the person or organization shown in the schedule

above. We will mail such notice to the address shown in the schedule above at least the number of days shown for cancellation in the schedule above before the effective date of cancellation.

COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

The following is added to the Paragraph **A.1.c., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage"

occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in **SECTION II**.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OTHER ADDITIONAL INSURED

This endorsement modifies insurance provided under the following:

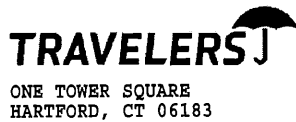
COMMERCIAL GENERAL LIABILITY COVERAGE PART

PROVISIONS

1. WHO IS AN INSURED (SECTION II) is amended to include as an insured any person or organization (called hereafter "additional insured") with whom you have agreed in a written contract, executed prior to loss, to name as an additional insured, but:
 - a. Only with respect to liability because of "bodily injury" or "property damage" arising out of "your work" for that additional insured performed by you or for you; and
 - b. Subject to any limitations in the written contract regarding the scope of the additional insured status.

This insurance does not apply to "bodily injury" or "property damage" arising out of "your work" included in the "products-completed operations hazard" unless you are required to provide such coverage by written contract and then only for the period of time required by the contract, but in no event beyond the expiration date of the policy.
2. The Limits of Insurance provided to such additional insured shall be:
 - a. The limits which you have agreed to provide; or
 - b. The limits shown on the Declarations whichever is less.

3. This insurance is excess over any valid and collectible insurance unless you have agreed in a written contract for this insurance to apply on a primary or contributory basis.
4. This insurance does not apply on any basis:
 - a. To any person or organization for whom you have purchased an Owners and Contractors Protective policy.
 - b. To any person or organization who distributes or sells "your products" in the regular course of its business.
 - c. To any person or organization from whom you have acquired any products, or any ingredient, part or container, entering into, accompanying or containing such products.
 - d. To any manager or lessor of premises with respect to liability arising out of the ownership, maintenance, or use of that part of any premises leased to you.
 - e. To any lessor of leased equipment.
 - f. To any architect, engineer or surveyor for injury or damage arising out of:
 - (1) The preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and
 - (2) Supervisory, inspection or engineering services.



**WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY**

ENDORSEMENT WC 00 03 13 (00) - 01

POLICY NUMBER: (TC2JUB-178D341-2-16)

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

SCHEDULE

DESIGNATED PERSON:

*

DESIGNATED ORGANIZATION:

ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS AGREED
BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH THIS
WAIVER.