

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made this _____ day of _____, 2021, by the **CITY OF GARDEN GROVE**, a municipal corporation, ("CITY") and **InfoSend, Inc.**, herein after referred to as "CONTRACTOR".

RECITALS

The following recitals are a substantive part of this Agreement:

1. This Agreement is entered into pursuant to Garden Grove COUNCIL AUTHORIZATION, DATED _____.
2. CITY desires to utilize the services of CONTRACTOR to Provide Data Processing, Printing, Mailing and Inserting Services for City of Garden Grove Utility Bills per RFP S-1280.
3. CONTRACTOR is qualified by virtue of experience, training, education and expertise to accomplish services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term and Termination.** The term of the agreement shall be for period of one (1) year from full execution of the agreement, with an option to extend said agreement additional four (4) years, for a total performance period of five (5) years. Option years shall be exercised one (1) year at a time, at the sole option of the CITY. This agreement may be terminated by the CITY without cause. In such event, the CITY will compensate CONTRACTOR for work performed to date in accordance with proposal which is attached as Attachment A and is hereby incorporated by reference. Contractor is required to present evidence to support performed work.
2. **Services to be Provided.** The services to be performed by CONTRACTOR shall consist of tasks as set forth in the Scope of Work. The Scope of Work is attached as Attachment "A", and is incorporated herein by reference. The Scope of Work and this Agreement do not guarantee any specific amount of work.
3. **Compensation.** CONTRACTOR shall be compensated as follows:
 - 3.1 **AMOUNT.** Total Compensation under this agreement shall not exceed (NTE) amount of One Hundred Thirty Two Thousand Dollars (\$132,000.00), for the first year, payable in arrears and in accordance with Proposal Pricing Form, Attachment "B". All work shall be in accordance with RFP No. S-1280.

- 3.2 Payment For work under this Agreement, payment shall be made per invoice for work completed. Within 45 day of delivery of goods or completion of performance of services, CONTRACTOR must promptly render an invoice to CITY or payment may be significantly delayed. For extra work not a part of this Agreement, a written authorization by CITY will be required, and payment shall be based on schedule included in PROPOSAL PRICING FORM, Attachment "B". For extra work not a part of this Agreement, a written authorization by CITY will be required, and payment shall be based on schedule included in PROPOSAL PRICING FORM, Attachment "B. All work shall be in accordance with RFP. No. S-1280.
- 3.3 Records of Expenses. CONTRACTOR shall keep complete and accurate records of all costs and expenses incidental to services covered by this Agreement. These records will be made available at reasonable times to CITY.
- 3.4 Termination. CITY shall have the right to terminate this agreement, without cause, by giving thirty (30) days written notice of termination. If the Agreement is terminated by CITY, then the provisions of paragraph 3 would apply to that portion of the work completed.

4. **Insurance Requirements.**

- 4.1 COMMENCEMENT OF WORK. CONTRACTOR shall not commence work under this Agreement until all certificates and endorsements have been received and approved by the CITY. All insurance required by this Agreement shall contain a Statement of Obligation on the part of the carrier to notify the CITY of any material change, cancellation, or termination at least thirty (30) days in advance and provide a Waiver of Subrogation in favor of the City.
- 4.2 WORKERS COMPENSATION INSURANCE For the duration of this Agreement, CONTRACTOR and all subcontractors shall maintain Workers Compensation Insurance in the amount and type required by law provide Employers Liability in an amount not less than \$1,000,000.
- 4.3 INSURANCE AMOUNTS. CONTRACTOR shall maintain the following insurance for the duration of this Agreement:
- (a) Commercial general liability in an amount of \$1,000,000.00 per occurrence (**claims made and modified occurrence policies are not acceptable**); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-Class VII or better, as approved by the CITY.
- (b) Automobile liability in an amount of \$1,000,000.00 combined single limit (**claims made and modified**

occurrence policies are not acceptable); Insurance companies must be acceptable to CITY and have a Best's Guide Rating of A-, Class VII or better, as approved by the CITY.

An **On-Going and Completed Operations Additional Insured Endorsements** for the policy under section 4.3 (a) shall designate CITY, it's officers, officials, employees, agents, and volunteers as additional insureds for liability arising out of work or operations performed by or on behalf of the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

An Additional Insured Endorsement for the policy under section 4.3 (b) shall designate CITY, it's officers, officials, employees, agents, and volunteers as additional insureds for automobiles, owned, leased, hired, or borrowed by the CONTRACTOR. CONTRACTOR shall provide to CITY proof of insurance and endorsement forms that conform to CITY's requirements, as approved by the CITY.

For any claims related to this Agreement, CONTRACTOR's insurance coverage shall be primary and non-contributory as respects CITY, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the CITY, its officers, officials, employees, agents, and volunteers shall be excess of the CONTRACTOR insurance and shall not contribute with it.

If CONTRACTOR maintains higher insurance limits than the minimums shown above, CONTRACTOR shall provide coverage for the higher insurance limits otherwise maintained by the CONTRACTOR.

5. **Non-Liability of Officials and Employees of the CITY.** No official or employee of CITY shall be personally liable to CONTRACTOR in the event of any default or breach by CITY, or for any amount which may become due to CONTRACTOR.
6. **Non-Discrimination.** CONTRACTOR covenants there shall be no discrimination against any person or group due to race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry, in any activity pursuant to this Agreement.
7. **Independent Contractor.** It is agreed to that CONTRACTOR shall act and be an independent contractor and not an agent or employee of the CITY, and shall obtain no rights to any benefits which accrue to CITY'S employees.
8. **Compliance with Law.** CONTRACTOR shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government. CONTRACTOR shall comply with, and shall be responsible for causing all

contractors and subcontractors performing any of the work pursuant to this Agreement to comply with, all applicable federal and state labor standards, including, to the extent applicable, the prevailing wage requirements promulgated by the Director of Industrial Relations of the State of California Department of Labor. The City makes no warranty or representation concerning whether any of the work performed pursuant to this Agreement constitutes public works subject to the prevailing wage requirements.

9. **Notices.** All notices shall be personally delivered or mailed to the below listed address, or to such other addresses as may be designated by written notice. These addresses shall be used for delivery of service of process.

a. (CONTRACTOR)
InfoSend, Inc.
Attention: Russ Rezai, President
4240 East La Palma Avenue
Anaheim, CA 92807

b.	(Address of CITY)	(with a copy to):
	City of Garden Grove	Garden Grove City Attorney
	11222 Acacia Parkway	11222 Acacia Parkway
	Garden Grove, CA 92840	Garden Grove, CA 92840

10. **CONTRACTOR'S PROPOSAL.** This Agreement shall include CONTRACTOR'S proposal or bid which shall be incorporated herein by reference. In the event of any inconsistency between the terms of the proposal and this Agreement, this Agreement shall govern.

11. **Licenses, Permits, and Fees.** At its sole expense, CONTRACTOR shall obtain a Garden Grove Business License, all permits, and licenses as may be required by this Agreement.

12. **Familiarity with Work.** By executing this Agreement, CONTRACTOR warrants that: (1) it has investigated the work to be performed; (2) it has investigated the site of the work and is aware of all conditions there; and (3) it understands the facilities, difficulties, and restrictions of the work under this Agreement. Should Contractor discover any latent or unknown conditions materially differing from those inherent in the work or as represented by CITY, it shall immediately inform CITY of this and shall not proceed, except at CONTRACTOR's risk, until written instructions are received from CITY.

13. **Time of Essence.** Time is of the essence in the performance of this Agreement.

14. **Limitations Upon Subcontracting and Assignment.** The experience, knowledge, capability, and reputation of CONTRACTOR, its principals and employees were a substantial inducement for CITY to enter into this Agreement. CONTRACTOR shall not contract with any other entity to perform the services required without written approval of the CITY. This Agreement may not be

assigned voluntarily or by operation of law, without the prior written approval of CITY. If CONTRACTOR is permitted to subcontract any part of this Agreement, CONTRACTOR shall be responsible to CITY for the acts and omissions of its subcontractor as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationship between any subcontractor and CITY. All persons engaged in the work will be considered employees of CONTRACTOR. CITY will deal directly with and will make all payments to CONTRACTOR.

15. **Authority to Execute.** The persons executing this Agreement on behalf of the parties warrant that they are duly authorized to execute this Agreement and that by executing this Agreement, the parties are formally bound.
16. **Indemnification.** To the fullest extent permitted by law, CONTRACTOR shall defend, and hold harmless CITY and its elective or appointive boards, officers, agents, and employees from any and all claims, liabilities, expenses, or damages of any nature, including attorneys' fees, for injury or death of any person, or damages of any nature, including interference with use of property, arising out of, or in any way connected with the negligence, recklessness and/or intentional wrongful conduct of CONTRACTOR, CONTRACTOR's agents, officers, employees, subcontractors, or independent contractors hired by CONTRACTOR in the performance of the Agreement. The only exception to CONTRACTOR's responsibility to protect, defend, and hold harmless CITY, is due to the sole negligence, recklessness and/or wrongful conduct of CITY, or any of its elective or appointive boards, officers, agents, or employees.

This hold harmless agreement shall apply to all liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by CONTRACTOR.

17. **Appropriations.** This Agreement is subject to and contingent upon funds being appropriated therefor by the Garden Grove City Council for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the CITY.
18. **Liquidated Damages for Delay.** The parties agree that if the total work called for under this Contract, in all parts and requirements, is not completed within the time specified in Section 1, Term and Termination, herein, the CITY will sustain damage which would be extremely difficult and impractical to ascertain. The parties therefore agree that CONTRACTOR will pay to CITY the sum of one hundred fifty dollars (\$150.00) per day for each and every calendar day during which completion of the work is so delayed. CONTRACTOR agrees to pay such liquidated damages and further agrees that CITY may offset the amount of liquidated damages from any moneys due or that may become due CONTRACTOR under the contract.

IN WITNESS THEREOF, these parties have executed this Agreement on the day and year shown below.

Date: _____

"CITY"
CITY OF GARDEN GROVE

By: _____
City Manager

ATTESTED:

City Clerk

Date: _____

"CONTRACTOR"
InfoSend, Inc.

By: _____

Name: _____

Title: _____

Date: _____

Tax ID No. _____

If CONTRACTOR is a corporation, a Corporate Resolution and/or Corporate Seal is required. If a partnership, Statement of Partnership must be submitted to CITY.

APPROVED AS TO FORM:

Garden Grove City Attorney

Date

ATTACHMENT "A"
SCOPE OF SERVICES
RFP No. S-1280

**Provide Data Processing, Printing, Mailing and Inserting Services for City
of Garden Grove Utility Bills**

BACKGROUND

The City of Garden Grove (City) has approximately 16,000 active business license tax accounts. The City mails approximately 23,000 business license renewal notices every year. This includes first notices, delinquent notices, and final notices. Our business license tax accounts are annual, anniversary dated. Renewal notices are mailed monthly. Business license also mails out approximately 14,000 paid Business License Tax Certificates every year. Paid Business License Tax Certificates are generally mailed weekly.

In addition, the City bills customer's bi-monthly and services over 34,000 water accounts. Currently the City mails approximately 15,000 utility paper bills per month or 800-1,000 per day. The water billing process is generated 4-5 days a week with billing data files delivered to the vendor electronically daily. The bills must be mailed via presorted first class mail in 1-2 days.

SCOPE OF WORK

The City is requesting proposals from qualified vendors for the purpose of designing, printing, sorting, inserting and delivering/mailing documents including, but not limited to, utility bills for both residential and commercial customers.

The successful proposal will be one that demonstrates the capability to fulfill all areas of the Scope of Work with technical proficiency.

Only firms with verifiable experience in data processing, printing, mailing, and inserting services, and at the minimum, USPS CASS certified, will be considered.

The proposals submitted for this project are to follow the outline described below and must address all requested information. If a requirement cannot be met, please provide an alternative approach.

Statement Design

1. The vendor must be able to accept the City's files in their current format or with minimal changes. See attached examples.
2. Ability to provide in house design services for the redesign of the utility bill that is compatible with City equipment.

3. Ability to provide proof copies of redesigned bill statement.
4. Bill messages and bill inserts are updated bi-monthly or as needed, based on City requirements.

Daily Processing

1. The selected vendor will be required to produce the printed bill statement, fold, insert and process for mailing all from the same facility location. No subcontracting of this work is allowed. The exception will be the bill statement stock, envelopes (mailing and return) and inserts all of which will be the responsibility of the vendor to maintain adequate inventory levels.
2. Ability to accept daily bill files using online upload using web, FTP or SFTP, or similar standard transmission methods. The City should be able to log into the Vendor's server, check status, and remove uploaded files prior to processing by the Vendor. An e-mail file transmission is not acceptable.
3. The City must be able to connect to the vendor's server.
4. The City must have the ability to view and approve sample bills online before they are printed and mailed.
5. Bills must be mailed within one to two business days of receipt. Same day printing and mailing is preferred.
6. The vendor must have the capability to suppress the printing of bills and/or envelopes for certain customers, based on City requirements. Suppression could be on a one-time or continual basis.
7. The remittance stub must be configured to work with the remittance processing equipment and software used to process the incoming checks.
8. The scan line on the stub includes account information and a check digit that is calculated via a specific algorithm.
9. The vendor must have the capability to print:
 - Intelligent bill messages based on customer type
 - Logos and usage history graphs
 - Multiple page bills as needed.
10. Bills must be mailed via presorted first class mail. More details about mailing requirements are provided in section *Archive and Mail* below.
11. Production reports - The City should be able to track all files that have been sent to the vendor - before, during, and after processing.
12. Status reports must be provided daily after processing is complete.
13. Bill Inserts and Messages

- a. The vendor must provide an interface that will allow the city to update requirements for bill messages and bill inserts on a monthly basis.
 - b. The interface must allow the City to include/exclude inserts and messages based on City requirements.
 - c. Please provide specific information about this interface, including screen shots and details about the process for new requests and updates to existing requests.
- 14. Inserts may be black ink or color, 1/3 page or 8 ½" x 11" with a tri-fold. Provide quotes accordingly.
- 15. Please provide details about the following:
 - a. Quality control procedures
 - b. Ability to pull a bill from production processing, and the process for doing so
 - c. Procedures for ensuring that the bill file transmissions are completed successfully and procedures for correcting issues.
- 16. Ability to allow for an electronic submission of multiple Business License renewal files including first notices, delinquent notices, and final notices.
- 17. Business License renewal files will be in PDF form and must be able to be uploaded to vendor platform and printed on renewal invoice design.
- 18. Business License renewal forms must have the ability to print in different colors to differentiate each notice type, if City desires
- 19. Business License renewal forms are to be mailed monthly.
- 20. Ability to include different inserts with different renewal notices.
- 21. Ability to provide in house design services for the redesign of the Business License renewal forms, if City desires.
- 22. Ability to upload PDF files of paid Business License Tax Certificates, and to print on certificate design
- 23. Business License Tax Certificates are mailed weekly, unless the number of accounts is not enough to receive the lowest available postage rate.
- 24. Ability to provide in house design services for the redesign of the Business License Tax Certificates, if City desires.

Archive and Mail

- 1. Bill Image Archives
- 2. All "valid" (bills not in error) bill images must be archived as PDF files on the same day the bill files are received by the vendor. This includes bills that are not printed based on requirements from the City.
- 3. Archive files must be easily accessible to City staff via an online interface.

4. Bill images must be stored for 24 months.
5. Please provide specific details about the archive system:
 - Screen shots of the interface
 - Search capability
 - Print capability
 - Process for viewing archived bill images
 - Process for emailing archived bill images to specific customers
6. Mailing
 - Bills must be mailed via presorted first class mail to maximize postal discounts.
 - The City should be able to verify proof of delivery to the USPS on an as needed basis.
 - Customer addresses must be validated and updated as necessary by the vendor using CASS (USPS-certified) software.
 - The vendor must provide NCOALink service or other change of address feed for City's billing addresses.
 - Multiple bills to the same customer and mailing address shall be matched and inserted in one appropriate size envelope and metered first-class separately, and delivered to the USPS at the same time as all other bills are delivered. These bills require only a single return envelope and single inserts.

Reporting

1. File Confirmation Report – Confirm receipt of file transmission.
2. Daily Production Confirmation Reports via email – immediately after processing is complete:
 1. Volume of bills
 - a. Received for processing
 - b. Printed
 - c. Not printed
 - d. Total \$ value of bills contained in a data file
 2. Postage presort breakdown including actual rates
 3. Inserts used and insert counts
 4. Move Update changes: Addresses changed
 - a. Customer Name
 - b. Utility Account number
 - c. Previous address
 - d. New address

Security

1. The vendor must provide necessary security to protect the City's data from unauthorized access. Please provide details about the security

- measures that are in place. Include procedures for ensuring that only authorized persons are admitted to the production floor.
2. Describe in detail how security is handled for information shared between the vendor and the City via email or online.
 3. The vendor must allow site visits by City personnel.

Paper Supplies

1. The vendor must be able to reproduce the preprinted and perforated paper stock that can match or exceed the quality of the current stock and provide the same number of preprinted colors.
2. The following envelopes must be provided by the vendor:
 - A double window #10 mailing envelope
 - A single window #9 security return envelope
 - Provide incoming envelopes that offer the ability to identify it is business license related, such as color coded, or some other identifiable mechanism.
3. The vendor must accept inserts printed by other vendors, and provide insert printing services as well. Please provide insert specifications and pricing.
4. The vendor must agree to receive shipments of inserts and store/warehouse all forms and envelopes used to process the City's bills.
5. Ability to provide paper sources that are products made/manufactured in the United States of America.

Customer Support and Disaster Recovery

1. Customer Support
 - The vendor must provide unlimited customer support during the hours of 8:00 am – 5:00 pm, Pacific Time
 - Provide procedures for after-hours support.
 - Provide a list of company holidays.
 - Provide contact points for customer service.
2. Disaster Recovery
 - The vendor must have a disaster recovery facility to process the City's bills if the main facility becomes inoperable.
 - Provide locations and information about these facilities.
 - Provide a summary of the disaster recovery plan.
 - Indicate the resources the City will be required to provide if a disaster recovery plan is implemented.

ATTACHMENT "B"
RFP NO. S-1280
(Data Processing, Printing, and Mailing Services)
PROPOSAL PRICING-Page 1 of 4

Proposal must include ALL costs and fees associated with providing the services. **Any fees, costs or charges that are not identified in this proposal will NOT be considered or paid by the CITY.**

Please DO NOT change/alter this page in any way! This page must be submitted with your proposal.

Provide a cost proposal for print and mail development, implementation, and ongoing maintenance. This section adheres to the provided table form. Identify all costs to be billed to the project, including out-of-pocket expenses such as travel and office support.

Initial and Ongoing Professional Services Fees		
One-Time Implementation Fee Includes all phases of the project prior to the production phase: initial programming, testing, and implementation.	\$WAIVED	One-Time Fee
Professional Services Charges For requested programming changes after initial implementation.	\$120.00	Per Hour
Cost of Materials		
Statement Paper Stock Cost 8.5x11", 24 pound paper stock with a micro-perforation and backer.	\$ 0.015	Per Sheet
Certificate Paper Stock Cost 8.5x11", card stock with a micro-perforation.	\$0.055	Per Sheet
Outgoing Envelope Cost Single Window white #10 envelope with security tint	\$0.017	Per Envelope
Return Envelope Cost No window #9 blue bar envelope with security tint	\$0.016	Per Envelope
Return Envelope Cost No window #9 green bar envelope with security tint for Business License renewals	\$0.016	Per Envelope
Flat Envelope Cost Applies only multi-page bills that do not fit in the standard double window #10 envelopes.	\$0.15	Per Envelope

ATTACHMENT "B"
RFP NO. S-1280
(Data Processing, Printing, and Mailing Services)
PROPOSAL PRICING-Page 2 of 4

Service Fees		
One Page Bill Service Fee Includes file transmission, data processing, simplex black or black with color bill printing, mail preparation (folding, inserting a 1-page bill and the return envelope into an outgoing envelope), and delivery to the USPS.	\$ 0.056	Per One Page Bill
Marketing Insert Fee Charge for inserting client-provided marketing insert. For example: Newsletter.	\$0.01*	Per Additional Page
One Page Certificate Service Fee Includes file transmission, data processing, color certificate printing, mail preparation (folding, inserting a 1-page certificate into an outgoing envelope), and delivery to the USPS.	\$0.088	Per One Page Bill
Insert Fee Charge for inserting other various inserts. For example: Informational letters regarding new legislation.	\$0.01*	Per Additional Page
Mail Processing Includes mail preparation (folding, inserting a 1-page bill and the return envelope into an outgoing envelope).	\$Included	Per Mail Piece
Move Update Service Fees NCOALink or ACS Service	\$0.25	Per Reported Change
House Holding This surcharge only applies to multiple page bills that have too many pages to be inserted into the #10 envelope by machine. This surcharge covers the necessary manual labor.	\$0.15	Per Mail Piece
3rd Party Courier Service This cost only applies while the City uses its own indicia and prints statements for processing.	\$Actual Cost	Per Delivery Pass Through Actual Cost

*Insert Fee includes either client provided, folded or InfoSend produced inserts.

Archive Fee Images must be stored in PDF format for 12 months.	\$	Per Additional Insert
Printing and Inserting of City Works insert Paper: White 80# gloss Colors: 4/4, printed on both sides Flat size: 8.5" x 11" Tri-fold size: 8.5" x 3.66" Approx. Qty: 16,000 or 32,000 Frequency: Monthly or bi-monthly Miscellaneous Information Piece is inserted into City water bills Designed in-house; files emailed as pdf to contractor 100-300 quantity returned to City	\$0.084	Type text here
In house design services Provide in house design services for any redesign of business license renewals, business license tax certificates, and utility bills.	\$95/hr	

Contractor must be able to provide all services requested. PARTIAL PRICING PROPOSALS WILL NOT BE ACCEPTED! ALL LINES ON THIS FORM MUST BE COMPLETED OR THE CITY RESERVES THE RIGHT TO DEEM YOUR PROPOSAL AS NON-RESPONSIVE.

NOTE: The City reserves the right to select the services listed above based on the current fiscal year budget. There is no guarantee that all services listed above will be utilized and become part of the contract.

ATTACHMENT "B"
RFP NO. S-1280
(Data Processing, Printing, and Mailing Services)
PROPOSAL PRICING-Page 3 of 4

ADDITIONAL COSTS ASSOCIATED WITH PROVIDING SERVICES:

Print Image Archive (per document): \$0.01 for 12 months, \$0.017 for 18 months retention,
\$0.022 for 24 months retention, \$0.027 for 36 months retention, \$0.032 for 48 months

Print Image Archive API Monthly Support Fee \$100.

Please provide a cost break down of how additional costs are calculated, if applicable. You may attached additional pages if needed.