



Monterey County Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

Agreement No.: A-13216

Upon motion of Supervisor Salinas, seconded by Supervisor Armenta and carried by those members present, the Board of Supervisors hereby:

- a. Authorized the agreement between The Data Center and the County for the Treasurer-Tax Collector's Tax Bill Printing and Distribution Services per Request for Proposal (RFP) No. 10566, with a total amount not to exceed \$100,000 per fiscal year and a term from July 1, 2016 through June 30, 2019, with the option to extend the Agreement for three additional one year periods; and
- b. Authorized the Contracts/Purchasing Officer or Contracts/Purchasing Supervisor to sign future Amendments to the Agreement which do not significantly alter the scope of work and do not exceed \$100,000 per fiscal year.

PASSED AND ADOPTED on this 28th day of June 2016, by the following vote, to wit:

AYES: Supervisors Armenta, Phillips, Salinas and Parker
NOES: None
ABSENT: Supervisor Potter

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 79 for the meeting on June 28, 2016.

Dated: July 12, 2016
File ID: 16-768

Gail T. Borkowski, Clerk of the Board of Supervisors
County of Monterey, State of California

By Denise Hancock
Deputy

AGREEMENT BETWEEN COUNTY OF MONTEREY AND THE DATA CENTER FOR TAX BILL PRINTING AND DISTRIBUTION

This AGREEMENT is made and entered into by and between the County of Monterey, a political subdivision of the State of California, hereinafter referred to as "County", and The Data Center LLC, hereinafter referred to as "CONTRACTOR."

RECITALS

WHEREAS, the County has invited proposals through the Request for Proposals (RFP #10566) for Tax Bill Printing and Distribution, in accordance with the specifications set forth in this AGREEMENT; and

WHEREAS, CONTRACTOR has submitted a responsive and responsible proposal to perform such services; and

WHEREAS, CONTRACTOR has the expertise and capabilities necessary to provide the services requested.

NOW THEREFORE, the County and CONTRACTOR, for the consideration hereinafter named, agree as follows:

PERFORMANCE OF THE AGREEMENT

After consideration and evaluation of the CONTRACTOR'S proposal, the County hereby engages CONTRACTOR to provide the services set forth in RFP # 10566 and in this AGREEMENT on the terms and conditions contained herein and in RFP # 10566. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:

RFP # 10566 dated 03/23/2016, including all attachments and exhibits

Addendum #1

CONTRACTOR's Proposal dated 04/21/2016 including all attachments and exhibits, to RFP # 10566

Certificate of Insurance

Additional Insured Endorsements

All of the above-referenced contract documents are intended to be complementary. Work required by one of the above-referenced contract documents and not by others shall be done as if required by all. In the event of a conflict between or among component parts of the contract, the

contract documents shall be construed in the following order: AGREEMENT including all attachments and exhibits, CONTRACTOR's Proposal (with all attachments and exhibits), RFP # 10566, RFP #10566 Addendum 1, Certificate of Insurance, and Additional Insured Endorsements.

CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of a county employee of the County.

CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

1.0 SCOPE OF WORK

Contractor Minimum Work Performance Percentage: CONTRACTOR shall perform with their own organization contract work amounting to not less than 50 percent of the original total contract price, except that any designated 'Specialty Items' may be performed by subcontractor and the amount of any such 'Specialty Items' so performed may be deducted from the original total AGREEMENT price before computing the amount of work required to be performed by CONTRACTOR with its organization.

All work defined in this section shall be completed by CONTRACTOR within ten (10) business days of the receipt of data from County. A representative from the County of Monterey Tax Collector's Office shall be allowed on site by CONTRACTOR where work will commence for review and approval during all or part of the process at County's expense.

The Scope of work includes but is not limited to:

1.1 SETUP

- 1.1.1 Output data file will be provided to CONTRACTOR via electronic transmission containing three (3) files in July, and nine (9) files in September. Each type of output document shall be created by combining multiple files containing taxpayer information, voter approved taxes, charges, assessments and messages.

Record layout includes

- 1.1.1.1 Character Code: ASCII
- 1.1.1.2 Record Length: Variable
- 1.1.1.3 Carriage Control: ANSI

- 1.1.2 CONTRACTOR shall be required to set up and convert data, including merging and placement of electronic data and fonts, and text onto the tax bill form.
- 1.1.3 Prior to laser imaging, CONTRACTOR shall ensure that the database is CASS/MASS and Move Update certified for USPS automation, in accordance with USPS Domestic Mail Manual (DMM) Issue 300.
- 1.1.4 CONTRACTOR shall supply the tax bill stock (8 ½" x 14"), and have the stock verified by County's on-site representative for approval prior to the commencement of laser imaging.

1.2 LASER IMAGING

- 1.2.1 Laser image variable data in black, at 600 dpi or higher resolution, onto one side only of the two styles of preprinted property tax bills. Provide only one (1) image per record.
- 1.2.2 Prior to laser printing of tax bills, CONTRACTOR shall provide to County's on-site representative twelve (12) laser printed tax bill proofs with real data (six regular & six Cortac) for verification of data accuracy, alignment, and acceptable print quality. County's on-site representative must approve of these samples prior to production.
- 1.2.3 After approval of the laser printed tax bill proofs by County's on-site representative, CONTRACTOR shall check every 500th statement printed for quality and completeness during the imaging process.

1.3 DISTRIBUTION AND MAILING

- 1.3.1 After laser imaging of variable data on bills, fold and insert the three styles of bills as follows:
 - 1.3.1.1 **Type A: During the 1st week in July approximately 20,000 unsecured** property tax bills are to have one detachable stub. These bills shall be folded at the perforation, and inserted into a #10.5 window envelope, with one #9 remittance envelope. Specific folding perforation shall match exactly with the sample provided.
 - 1.3.1.2 **Type B: During the 3rd week in September approximately 100,000 bills** are to have two detachable stubs 8½" x 14"(Regular Tax Bills). This configuration has two parallel perforations to create two detachable stubs. The bills shall be tri-folded. Folding on the perforation that

separates stub #1 from stub #2 is required. The bill shall be inserted into a #10.5 window envelope and with two (2) #9 remittance envelopes, supplied by CONTRACTOR. Specific folding perforations shall match exactly with those in the sample provided.

1.3.1.3 **Type C: During the 3rd week in September approximately 35,000** bills are to be without detachable stubs 8 ½" x 14" (Cortac bills). These are courtesy bills provided to property owners in instances where a mortgage company remits the property tax on behalf of the owner. These bills shall be handled as indicated above, but have no perforations, and do not include #9 remittance envelopes.

1.3.2 Items shall be "householded," or sorted to allow 2 or more bills addressed to the same owner/address to be mailed in the same envelope (or other appropriate packaging), yielding additional postage and envelope savings. The items will not be pre-sorted by the County for this purpose.

1.3.3 Upon approval and release by County's on-site representative, CONTRACTOR shall prepare the necessary Postal Service 3600R documents for acceptance with First Class Presort Permit. Mail shall be sorted by CONTRACTOR to the maximum presort level for the best possible postal rate for this mailing, including maximum sorting to carrier route, 5-digit and 3-digit levels. The #10.5 mailing envelopes shall be preprinted with the County's First Class Presort Mailing Permit indicia.

1.3.4 County shall pay for postage. CONTRACTOR shall make a good faith estimate of the postage due a minimum of 48 hours prior to mailing and submit this estimate to the County's on-site representative and to the County of Monterey Tax Collector's Office via fax at (831) 759-6623. County will issue a check to CONTRACTOR based on this estimate. Upon delivery to the nearest U.S. Post Office, CONTRACTOR shall provide County with receipt of exact cost of postage and refund any overage or bill for any shortage.

1.4 TIMELINE

1.4.1 Within 24 hours after receipt of electronic transmission from County, CONTRACTOR shall commence CASS certification and uninterrupted imaging of the supplied data. CONTRACTOR shall check every 500th statement printed for quality and completeness during the imaging process. Completion shall be within 10 calendar days from receipt of the components and database to delivery at the Postal Service. CONTRACTOR shall confirm in writing to County the number of calendar days required after receipt of all components including bill stock, envelope stock, and data, to complete the work as specified herein.

1.4.2 All three bill types are generated at different times of the year. Type A is generated in mid July and types B & C are generated together in late September.

1.4.3 CONTRACTOR ensures that under no circumstances shall the delivery to the USPS be after August 1 for type A and November 1 for types B & C.

1.5 COMMUNICATION

1.5.1 CONTRACTOR shall respond to all inquiries from the Tax Collector within two (2) hours of the inquiry, either in person to the County's on-site representative, or in writing via email.

1.6 DEADLINE

1.6.1 CONTRACTOR shall ensure that under no circumstances will the tax bills be mailed out past October 31st of each year of the agreement.

1.7 RIGHTS AND TITLES TO MATERIALS

1.7.1 County shall retain all rights and titles to all materials, both originals and copies, processed under this AGREEMENT. CONTRACTOR shall acquire no right, either shared or exclusive, to materials or information processed on behalf of County.

2.0 CONFIDENTIALITY AND RECORDS

2.1 Confidentiality: CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.

2.2 County Records: When this Agreement expires or terminates, CONTRACTOR shall return to County and County records which CONTRACTOR used or received from County to perform services under this Agreement.

2.3 Maintenance of Records: CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least four years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.

- 2.4 Access to and Audit of Records: The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 2.5 Royalties and Inventions: County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

3.0 TERM OF AGREEMENT

- 3.1 The initial term shall commence with the signing of the AGREEMENT through and including June 30, 2019, with the option to extend the AGREEMENT for three (3) additional one (1) year periods.
- 3.1.1 County is not required to state a reason if it elects not to renew.
- 3.2 The County reserves the right to cancel this AGREEMENT, or any extension of this AGREEMENT, without cause, with a thirty day (30) written notice, or with cause immediately.
- 3.3 CONTRACTOR must commence negotiations for rate changes a minimum of ninety days (90) prior to the expiration of the AGREEMENT.
- 3.4 If the County exercises its option to extend, the parties shall mutually agree upon changes to rates, terms and conditions.

4.0 COMPENSATION AND PAYMENTS

- 4.1 It is mutually understood and agreed by both parties that CONTRACTOR shall be compensated under the AGREEMENT in accordance with ATTACHMENT A UNIT COSTS attached hereto.
- 4.2 Prices shall remain firm for the initial term of the AGREEMENT and, thereafter, may be adjusted annually as provided in this paragraph. The County does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.

- 4.3 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of the AGREEMENT. Rate changes are not binding unless mutually agreed upon in writing by the County and the Contractor.
- 4.4 The total amount of this agreement shall not exceed \$100,000 per fiscal year. This total is all inclusive of goods, services, postage and tax.
- 4.5 CONTRACTOR shall reference RFP # 10566 on all invoices submitted to the County. CONTRACTOR shall submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. The County shall certify the invoice; either in the requested amount or in such other amount as the County approves in conformity with this AGREEMENT, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.
- 4.6 Invoices for all services rendered per this AGREEMENT shall be billed directly to the following address:
- County of Monterey Tax Collector
P.O. Box 891
Salinas, CA 93902
- 4.7 CONTRACTOR shall reference "AGREEMENT/RFP 10566" on all invoices submitted to County. CONTRACTOR shall submit such invoices periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice. County shall certify the invoice, either in the requested amount or in such other amount as County approves in conformity with this AGREEMENT, and shall promptly submit such invoice to County Auditor-Controller for payment. County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.
- 4.8 All County of Monterey Purchase Orders issued for the AGREEMENT are valid only during the fiscal year in which they are issued (the fiscal year is defined as July 1 through June 30).
- 4.9 Unauthorized Surcharges or Fees: Invoices containing unauthorized surcharges or unauthorized fees of any kind shall be rejected by County. Surcharges and additional fees not included in the AGREEMENT must be approved by the County in writing via an Amendment.

5.0 INDEMNIFICATION

CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

6.0 INSURANCE

6.1 Evidence of Coverage:

Prior to commencement of this AGREEMENT, CONTRACTOR shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition CONTRACTOR upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's, Contracts/Purchasing Division, unless otherwise directed. CONTRACTOR shall not receive a "Notice to Proceed" with the work under this AGREEMENT until it has obtained all insurance required and the County has approved such insurance. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.

6.2 Qualifying Insurers:

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Officer.

6.3 Insurance Coverage Requirements:

Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this AGREEMENT a policy or policies of insurance with the following minimum limits of liability:

- 6.3.1 Commercial General Liability Insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broad form Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.
(Note: any proposed modifications to these general liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)
- 6.3.2 Business Automobile Liability Insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this AGREEMENT, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.
(Note: any proposed modifications to these auto insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)
- 6.3.3 Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this AGREEMENT, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.
(Note: any proposed modifications to these worker's compensation insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)
- 6.3.4 Professional Liability Insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this AGREEMENT, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this AGREEMENT.
(Note: any proposed modifications to these professional liability insurance requirements shall be attached as an Exhibit hereto, and the section(s) above that are proposed as not applicable shall be lined out in blue ink. All proposed modifications are subject to County approval.)

6.4 Other Insurance Requirements:

All insurance required by this AGREEMENT shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this AGREEMENT, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this AGREEMENT.

6.5 Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for CONTRACTOR and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this AGREEMENT, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

6.6 Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

6.7 Prior to the execution of this AGREEMENT by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this AGREEMENT. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this AGREEMENT, which shall continue in full force and effect.

6.8 CONTRACTOR shall at all times during the term of this AGREEMENT maintain in force the insurance coverage required under this AGREEMENT and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during

the interim. Failure by CONTRACTOR to maintain such insurance is a default of this AGREEMENT, which entitles County, at its sole discretion, to terminate this AGREEMENT immediately.

7.0 TERMINATION

- 7.1 During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.
- 7.2 The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this agreement. If County terminates this agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.
- 7.3 The County's payments to CONTRACTOR under this Agreement are funded by local, state and federal governments. If funds from local, state and federal sources are not obtained and continued at a level sufficient to allow for the County's purchase of the indicated quantity of services, then the County may give written notice of this fact to CONTRACTOR, and the obligations of the parties under this agreement shall terminate immediately, or on such date thereafter, as the County may specify in its notice, unless in the meanwhile the parties enter into a written amendment modifying this Agreement.

8.0 NON-DISCRIMINATION

- 8.1 During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR'S employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.

9.0 INDEPENDENT CONTRACTOR

- 9.1 In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County Department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefit including but not limited to sick leave, vacation, retirement benefits, worker's compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability which County may incur because of CONTRACTOR's failure to pay such taxes.

10.0 CONFLICT OF INTEREST

- 10.1 CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly conflict in any manner or to any degree with the full and complete performance of the services required to be rendered under this Agreement.

11.0 COMPLIANCE WITH APPLICABLE LAWS

- 11.1 The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.

12.0 NON-ASSIGNMENT AND NOTICES

- 12.1 Non-Assignment: CONTRACTOR shall not assign this contract of the work required herein without prior written consent of County.
- 12.2 Notices required to be given to the respective parties under this AGREEMENT shall be deemed given by any of the following means: (1) when personally delivered to the County's contract administrator or to CONTRACTOR'S responsible officer; (2) when personally delivered to the party's principle place of business during normal business hours, by leaving notice with any person apparently in charge of the office and advising such person of the import and contents of the notice; (3) 24 hours after the notice is transmitted by FAX machine to the other party, at the party's FAX number specified

pursuant to this AGREEMENT, provided that the party giving notice by FAX must promptly confirm receipt of the FAX by telephone to the receiving party's office; or, (4) three (3) days after the notice is deposited in the U. S. mail with first class or better postage fully prepaid, addressed to the party as indicated below.

Notices mailed or faxed to the parties shall be addressed as follows:

TO THE COUNTY:

Contracts/Purchasing Officer
County of Monterey, Contracts/Purchasing Division
1488 Schilling Place
Salinas, CA 93901
Tel. No.: (831) 755-4990 FAX No.: (831) 755-4969

TO THE CONTRACTOR:

The Data Center
Janet Brown
Account Manager
1827 South Fremont Drive
Salt Lake City, UT 84104
(801) 978-1030
janet@datacenterusa.com

13.0 DAMAGES

- 13.1 Actual Damages: In the event that CONTRACTOR fails to perform adequately, CONTRACTOR shall reimburse County for actual damages as follows:
 - 13.1.1 Duplicate Printing of Bills: Full credit for all excess printing, actual cost of supplied materials, and postage (if not identified prior to mailing).
 - 13.1.2 Poor Image Quality: Reprint at no additional cost, full credit for actual cost of supplied materials.
 - 13.1.3 Improperly Stuffed Envelopes: Full credit for the insertion on all improperly stuffed pieces, and full reimbursement of actual costs of supplied materials.
- 13.2 Liquidated Damages: County and CONTRACTOR agree that it is impracticable or extremely difficult to fix the amount of certain other damages sustained by County as the result of CONTRACTOR's failure to perform. County and CONTRACTOR further agree that the following liquidated damages shall be presumed to be the amount of damages sustained by County for CONTRACTORS's failure to perform within the ten

(10) calendar days as specified in this AGREEMENT, or for producing duplicate tax bills.

13.2.1 Late Delivery to Post Office: A credit equal to 1% of the total value of each mailing project shall be credited to the County for each calendar day after the 10th day in which CONTRACTOR fails to make delivery of the fully completed job to the Post Office.

13.2.2 Duplicate Printing of Bills: In addition to the actual damages named previously, a credit of \$.50 for each bill found to be duplicated shall be credited to County.

13.2.3 Bill Information Missing: In addition to the actual damages named previously, a credit of \$.50 for each bill found to be missing information shall be credited to County.

14.0 LEGAL DISPUTES

14.1 CONTRACTOR agrees that this AGREEMENT, and any dispute arising from the relationship between the parties to this AGREEMENT, shall be governed and interpreted by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.

14.2 Any dispute that arises under or relates to this AGREEMENT (whether contract, tort, or both) shall be resolved in the Superior Court of California in Monterey County, California.

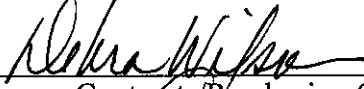
14.3 CONTRACTOR shall continue to perform under this AGREEMENT during any dispute.

14.4 The parties agree to waive their separate rights to a trial by jury. This waiver means that the trial will be before a judge.

SIGNATURE PAGE

IN WITNESS WHEREOF, County and CONTRACTOR have executed this AGREEMENT as of this day and year written below.

COUNTY OF MONTEREY

By: 
Contracts/Purchasing Officer

Date: 12 July 2016

By: _____
Department Head

Date: _____

By: _____
Board of Supervisors

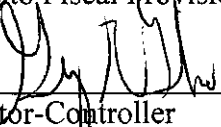
Date: _____

Approved as to Form:

By: 
County Counsel Deputy

Date: 05/24/16

Approved as to Fiscal Provisions:

By: 
Auditor-Controller

Date: 8/25/16

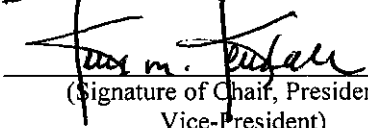
Approved as to Liability Provisions:

By: _____
Risk Management

Date: _____


CONTRACTOR

The Data Center LLC
Contractor's Business Name*

By: 
(Signature of Chair, President, or Vice-President)

KIM M. KENDALL PRESIDENT
Printed Name and Title

Date: 05/20/2016

By: 
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)

GREGORY L. CLARK CEO
Printed Name and Title

Date: 5.20.16

County Board of Supervisors' Agreement Number: _____, approved on date: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

ATTACHMENT A - Unit Costs

Unsecured Tax Bills - Bills with one detachable stubs 8 ½ X 14 Approximately 20,000

Free design, data set-up and implementation

Print 1 page 8 ½ X 14 statements double sided (with 1 accent color, if desired, in blue, red or green) and black ink

Printed on White or Pastel Colored Paper

1 Perforated payment stub

1 - Outgoing #10.5 windowed envelope

1 - Business Reply #9 Envelopes

Processing data, OCR formatting, C.A.S.S. certify, first class presort, folding on perforations, inserting, metering, sorting, trayng and delivering to Salinas Post Office

.179 per piece + postage

Regular Tax Bills - Bills with two detachable stubs 8 ½ X 14 Approximately 100,000

Free design, data set-up and implementation

Print 1 page 8 ½ X 14 statements double sided (with 1 accent color, if desired, in blue, red or green) and black ink

Printed on White or Pastel Colored Paper

2 Perforated payment stubs

1 - Outgoing #10.5 windowed envelope

2 - Business Reply #9 Envelopes

Processing data, OCR formatting, C.A.S.S. certify, first class presort, folding on perforations, inserting, metering, sorting, trayng and delivering to Salinas Post Office

.179 per piece + postage

Cortac Bills - Bills with no detachable stubs 8 ½ X 14 Approximately 35,000

Free design, data set-up and implementation

Print 1 page 8 ½ X 14 statements double sided (with 1 accent color, if desired, in blue, red or green) and black ink

Printed on White or Pastel Colored Paper

2 Perforated payment stubs

1 - Outgoing #10.5 windowed envelope

Processing data, OCR formatting, C.A.S.S. certify, first class presort, folding, inserting, metering, sorting, trayng and delivering to Salinas Post Office

.159 per piece + postage

Mailings too Bulky for #10.5 Envelope

The Data Center will provide 9 X 12 Flat Envelopes for larger bills. The additional charges are listed here:

9 X 12 envelope printed - .14 add to original cost

Hand inserting - .08 add to original cost

Postage – Presorted Flat Rate

Multiple Page Items

For those items that we 'household' the charges are as stated above for the first page and no charge for each additional page.

Postage

The Data Center uses several software packages including PAVE and CASS certified software that assists our operators in sorting our mail pieces down to 'carrier route' before they are printed. The Data

Center achieves the lowest possible postal discount by processing the data provided using this software. All unit prices above do not include postage. Postage is paid by client.

Prices above do not include postage. Postage can range from .376 to .485 for a one ounce piece. We estimate postage to be .376 each. Actual postage costs may vary based on density of mail. The Data Center does not margin postage costs. Postage to be paid upfront by customer.

Financial Considerations:

- Reduction in supply costs due to national contracts by The Data Center.
- On-site technical expertise and the ability to work with any file type.
- Redundancy provides safety for the project and disaster recovery.
- Eliminates waste and cost associated with incorrect addresses and returned mail.
- Eliminates cost of storage and warehousing of pre-printed envelopes and forms.
- Reduces costs in postage rates due to automation.