

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, County has invited proposals through the Request for Proposals (RFP # 10307) 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, County and CONTRACTOR, for the consideration hereinafter named, agree as follows:

1.0 PERFORMANCE OF THE AGREEMENT

1.1 After consideration and evaluation of the CONTRACTOR'S proposal, the County hereby engages CONTRACTOR to provide the services set forth in RFP # 10307 and in this AGREEMENT on the terms and conditions contained herein and in RFP # 10307. The intent of this AGREEMENT is to summarize the contractual obligations of the parties. The component parts of this AGREEMENT include the following:

RFP # 10307 dated May 6, 2011, including all attachments and exhibits
Addenda#1 and #2,
CONTRACTOR'S Proposal dated May 16, 2011,
Certificate of Insurance
Additional Insured Endorsements

1.2 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, RFP #10307 Addenda #1 and #2, RFP #10307, Certificate of Insurance, and Additional Insured Endorsements.

- 1.3 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 an employee of the County.
- 1.4 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.
- 1.5 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.

2.0 SCOPE OF SERVICE

- 2.1 Contractor Minimum Work Performance Percentage: CONTRACTOR shall perform with his 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 subcontract and the amount of any such 'Specialty Items' so performed may be deducted from the original total contract price before computing the amount of work required to be performed by the Contractor with his own organization.
- 2.2 The Scope of Work includes but is not limited to the following:

2.2.1 SETUP

- 2.2.1.1 Output data file will be provided to CONTRACTOR on one CD ROM or FTP file via electronic transmission containing six files. 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;
 - i. Character Code: ASCII
 - ii. Record Length: Variable
 - iii. Carriage Control: ANSI
- 2.2.1.2 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.

2.2.1.3 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.

2.2.1.4 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.

2.2.2 LASER IMAGING

2.2.2.1 Laser image variable data in black, at 400 dpi or higher resolution, onto one side only of the two styles of preprinted property tax bills. Provide only one (1) image per record.

2.2.2.2 Prior to laser printing of tax bills, provide to the County's Office for verification of data accuracy & alignment, twelve laser printed tax bill proofs with real data (six regular, six Cortac and three unsecured).

2.2.2.3 After approval of the laser printed tax bill proofs, provide 50 samples of regular tax bills (with stubs attached) and 50 samples of Cortac bills (without stubs) and 50 samples of unsecured to the County's office.

2.2.2.4 Laser image variable data in black, at 400 dpi or higher resolution onto one side only of the two styles of preprinted property tax bills. Provide only one (1) image per record.

2.2.2.5 A representative from County shall be allowed on site at the commencement of laser imaging. Unannounced quality control inspections by County or a designated representative may be made at any/all phases of production through project completion.

2.2.3 DISTRIBUTION AND MAILING

2.2.3.1 After laser imaging of variable data on bills, fold and insert the three styles of bills as follows:

**Type A: Bills with two detachable stubs 8½" x 14"(Regular Tax Bills)-
Approx 95,000:** 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. Each bill shall be inserted into a #10.5 window envelope and with two (2) #9 remittance envelopes, supplied by CONTRACTOR. Samples of the perforated stocks are supplied with this bid solicitation to assist CONTRACTOR in determining the correct setting for folding EXACTLY on the perforations indicated.

Type B: Bills without detachable stubs 8 ½" x 14" (Cortac Tax Bills) -

Approx. 30,000: 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 in #1 above, but have no perforations, and do not include #9 remittance envelopes.

**Type C: Bills with one detachable stubs 8½" x 14"(Unsecured Tax Bills)-
Approx 20,000:** This configuration has one parallel perforations to create one detachable stub. The bills shall be tri-folded. Folding on the perforation that separates stub #1 is required. Each bill shall be inserted into a #10.5 window envelope and with one (1) #9 remittance envelopes, supplied by CONTRACTOR. Samples of the perforated stocks are supplied with this bid solicitation to assist CONTRACTOR in determining the correct setting for folding EXACTLY on the perforations indicated.

- 2.2.3.2 Data from bill types A, B & C as described above, shall be "household," 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 data for Items A, B & C above will not have been pre-sorted by the County for this purpose. CONTRACTOR shall indicate with their response how they handle mailings that are too bulky to utilize a #10.5 envelope and any additional charges associated with this handling.
- 2.2.3.3 Any mutilated or damaged bills shall be reproduced and mailed by CONTRACTOR immediately, and County shall be informed immediately of the assessment number of each affected bill.
- 2.2.3.4 CONTRACTOR shall verify via facsimile (FAX) upon completion of laser imaging, inserting and sealing, that the number of pieces prepared for mailing equals the number of properties in the database, and upon verification shall report same to County in writing. This verification shall be sent via FAX to County at (831) 759-6623.
- 2.2.3.5 CONTRACTOR shall deliver all pieces properly prepared for mailing to a US Post Office. The #10.5 mailing envelopes shall be preprinted. Upon approval and release by County, 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.

2.2.4 TIMELINE

- 2.2.4.1 Within 24 hours after receipt of the CD-ROM or FTP file via 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.

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

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

2.2.5 COMMUNICATION

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

2.2.6 RIGHTS AND TITLES TO MATERIALS

2.2.6.1 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.

3.0 TERM OF AGREEMENT

3.1 The initial term shall commence with the signing of the AGREEMENT through and including June 30, 2014, with the option to extend the AGREEMENT for two (2) additional one (1) year periods.

3.1.1 If County exercises its option to extend, all applicable parties shall mutually agree upon the extension, including any changes in rate and/or terms and conditions in writing.

3.1.2 County is not required to state a reason if it elects not to renew this AGREEMENT.

3.2 County reserves the right to cancel the AGREEMENT, or any extension of the AGREEMENT, without cause, with a thirty (30) day written notice, or immediately with cause.

4.0 COMPENSATION AND PAYMENTS

- 4.1 It is mutually understood and agreed by both parties that CONTRACTOR shall be compensated under this AGREEMENT in accordance with the pricing sheet attached hereto as ATTACHMENT A.
 - 4.1.1 Prices shall remain firm for the initial term of this AGREEMENT. County does not guarantee any minimum or maximum amount of dollars to be spent under this AGREEMENT.
 - 4.1.2 Negotiations for rate changes shall be commenced, by CONTRACTOR, a minimum of ninety days (90) prior to the expiration of this AGREEMENT.
- 4.2 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.
- 4.3 Any discount offered by the CONTRACTOR must allow for payment after receipt and acceptance of services, material or equipment and correct invoice, whichever is later. In no case will a discount be considered that requires payment in less than 30 days.
- 4.4 CONTRACTOR shall levy no additional fees nor surcharges of any kind during the term of this AGREEMENT without first obtaining approval from County in writing.

5.0 INVOICES AND PURCHASE ORDERS

- 5.1 Invoices for all services rendered per this AGREEMENT shall be billed directly to the following address:

County of Monterey Tax Collector
168 W. Alisal St. 1st Floor
Salinas, CA 93901
- 5.2 CONTRACTOR shall reference "AGREEMENT/RFP 10307" 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.

- 5.3 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).
- 5.4 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 the AGREEMENT must be approved by County in writing via an Amendment.

6.0 STANDARD INDEMNIFICATION

- 6.1 CONTRACTOR shall indemnify, defend, and hold harmless 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 CONTRACTOR's performance of this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

7.0 INSURANCE REQUIREMENTS

- 7.1 Evidence of Coverage:
- 7.1.1 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.
- 7.1.2 This verification of coverage shall be sent to the County's Contracts/Purchasing Department, 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 such, insurance has been approved by County. This approval of insurance shall neither relieve nor decrease the liability of CONTRACTOR.
- 7.2 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 County's Purchasing Officer.

7.3 Insurance Coverage Requirements:

7.3.1 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:

7.3.1.1 Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform 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.

7.3.2 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.

7.3.3 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.

7.3.4 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, 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.

7.4 Other Insurance Requirements:

7.4.1 All insurance required by this AGREEMENT shall be with a company acceptable to 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.

- 7.4.2 Each liability policy shall provide that 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.
- 7.4.3 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.
- 7.4.4 Prior to the execution of this AGREEMENT by County, CONTRACTOR shall file certificates of insurance with County's contract administrator and County's Contracts/Purchasing Division, showing that CONTRACTOR has in effect the insurance required by this AGREEMENT. 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.
- 7.4.5 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.

8.0 RECORDS AND CONFIDENTIALITY

- 8.1 Confidentiality: The data delivered by County to CONTRACTOR as described herein on CD-ROM, FTP files, paper copies or other media shall be considered confidential. 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.
- 8.1.1 CONTRACTOR shall be required to employ all reasonable practices to ensure that the data contained on the media in their possession is protected from unauthorized duplication, transmission or sale.
- 8.1.2 County will seek civil and/or criminal remedies for CONTRACTOR's failure to adhere to these confidentiality requirements.
- 8.2 County Records: When this AGREEMENT expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this AGREEMENT.
- 8.3 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.
- 8.4 Access to and Audit of Records: County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of CONTRACTOR and its subcontractors related to services provided under this AGREEMENT. The parties to this AGREEMENT may be subject, at the request of County or as part of any audit of 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.

9.0 NON-DISCRIMINATION

- 9.1 During the performance of this contract, CONTRACTOR shall not unlawfully discriminate against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination. CONTRACTOR shall comply with the provisions of the

Fair Employment and Housing Act (Government Code, §12900, et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, §7285.0, et seq.).

- 9.2 The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, §12900, et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full.
- 9.3 CONTRACTOR shall include the non-discrimination and compliance provisions of the clause in all AGREEMENTs with subcontractors to perform work under the contract.

10.0 OVERRIDING CONTRACTOR PERFORMANCE REQUIREMENTS

- 10.1 Independent Contractor: CONTRACTOR shall be an independent contractor and shall not be an employee of Monterey County, nor immediate family of an employee of County. CONTRACTOR shall be responsible for all insurance (General Liability, Automobile, Workers' Compensation, unemployment, etc.) and all payroll-related taxes. CONTRACTOR shall not be entitled to any employee benefits. CONTRACTOR shall control the manner and means of accomplishing the result contracted for herein.
- 10.2 Minimum Work Performance Percentage: CONTRACTOR shall perform with his own organization contract work amounting to not less than 50 percent of the original total AGREEMENT amount, except that any designated 'Specialty Items' may be performed by subcontract and the amount of any such 'Specialty Items' so performed may be deducted from the original total AGREEMENT amount before computing the amount of work required to be performed by CONTRACTOR with his own organization or per a consortium.

11.0 CONFLICT OF INTEREST

- 11.1 CONTRACTOR covenants that CONTRACTOR, its responsible officers, and its employees having major responsibilities for the performance of work under the AGREEMENT, presently have no interest and during the term of this AGREEMENT will not acquire any interests, direct or indirect, which might conflict in any manner or degree with the performance of CONTRACTOR'S services under this AGREEMENT.

12.0 COMPLIANCE WITH APPLICABLE LAWS

- 12.1 CONTRACTOR shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders, including but not limited to all state and federal tax laws, that may affect in any manner the Project or the performance of the

Services or those engaged to perform Services under this AGREEMENT. CONTRACTOR shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

- 12.2 CONTRACTOR shall report immediately to County's Contracts/Purchasing Officer, in writing, any discrepancy or inconsistency it discovers in the laws, ordinances, regulations, orders, and/or guidelines in relation to the Project of the performance of the Services.
- 12.3 All documentation prepared by CONTRACTOR shall provide for a completed project that conforms to all applicable codes, rules, regulations and guidelines that are in force at the time such documentation is prepared.

13.0 NON-ASSIGNMENT & NOTICES

- 13.1 Non-Assignment: CONTRACTOR shall not assign this contract or the work required herein without the prior written consent of County.
- 13.2 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 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 COUNTY:

Contracts/Purchasing Officer
County of Monterey, Contracts/Purchasing
168 W. Alisal Street, 3rd Floor.
Salinas, CA 93901-2439
Tel. No.: (831) 755-4990
FAX No.: (831) 755-4969
DerrM@co.monterey.ca.us

TO CONTRACTOR:

Jennifer Willis-Blomquist
Account Manager
1827 South Fremont Dr.
Salt Lake City, Utah 84104
Tel. No.(801) 978-1030
FAX No.(801) 978-0501
Jennifer@datacenterusa.com

14.0 DAMAGES

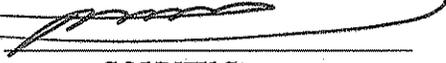
- 14.1 Actual Damages: In the event that CONTRACTOR fails to perform adequately, CONTRACTOR shall reimburse County for actual damages as follows:
- 14.1.1 Duplicate Printing of Bills: Full credit for all excess printing, actual cost of supplied materials, and postage (if not identified prior to mailing).
 - 14.1.2 Poor Image Quality: Reprint at no additional cost, full credit for actual cost of supplied materials.
 - 14.1.3 Improperly Stuffed Envelopes: Full credit for the insertion on all improperly stuffed pieces, and full reimbursement of actual cost of supplied materials.
- 14.2 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 CONTRACTOR's failure to perform within the ten (10) calendar days as specified in this AGREEMENT, or for producing duplicate tax bills.
- 14.2.1 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.
 - 14.2.2 Duplicate Printing of Bills: In addition to the actual damages named previously, a credit of \$0.50 for each bill found to be duplicated shall be credited to County.
 - 14.2.3 Bill Information Missing: In addition to the actual damages named previously, a credit of \$0.50 for each bill found to be missing information shall be credited to County.

15.0 LEGAL DISPUTES

- 15.1 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.
- 15.2 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.

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

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



COUNTY Signature

Michael R. DEERE

Printed Name

CONTRACTS/PURCHASING OFFICER
COUNTY OF MONTEREY

Title

7-5-11

Date



CONTRACTOR Signature

KIM M. KENDALL

Printed Name

President

Title

11-22-11

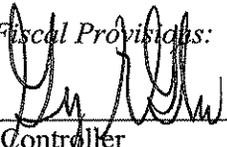
Date

IN WITNESS WHEREOF, the County and CONTRACTOR execute this AGREEMENT as follows:

MONTEREY COUNTY

Contracts/Purchasing Officer

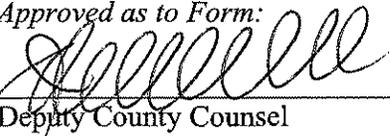
Dated: 7-5-11

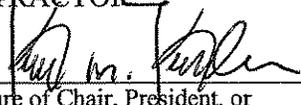
Approved as to Fiscal Provisions:

Deputy Auditor/Controller

Dated: 7-1-11

Approved as to Liability Provisions:

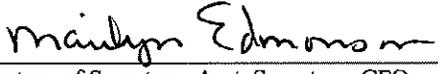
Risk Management
Dated: _____

Approved as to Form:

Deputy County Counsel
Dated: 7-1-11

CONTRACTOR
By: 
Signature of Chair, President, or Vice-President

KIM M. KENDALL, president
Printed Name and Title

Dated: 6-22-11

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

Marilyn Edmonson Treasurer
Printed Name and Title

Dated: 6-22-11

County Board of Supervisors' Agreement Number: _____.

*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 - PRICING SHEET

TAX BILL PREPARATION AND DISTRIBUTION

Initial Setup and programming	\$ <u>No Charge</u>
Programming changes <i>very rare</i>	\$ <u>over 2hrs @ 60.00/hr.</u>
Regular Tax Bills with 2 detachable stubs Quantity approx. 95,000	\$ <u>.179 per item</u>
Cortac Tax Bills with no detachable stubs Quantity approx. 30,000	\$ <u>.159 per item</u>
Unsecured Tax Bills with 1 detachable stub Quantity approx. 20,000	\$ <u>.193 per item</u>
Mailings too large for # 10.5 envelope	\$ <u>.14 per 9x12 envelope</u>
Multiple page items	\$ <u>.08 hand inserting</u>
Postage	\$ <u>.07 per additional page</u>
Additional misc. fees	\$ <u>.34 - .37 Actual</u>
	\$ <u>None</u>

Handwritten notes:
11/11/11
11/11/11



Pricing

Secured Tax Bills - Bills with two detachable stubs 8 ½ X 14

Yield approximately 95,000

Free design, data set-up and implementation

Preprint 2 color shell with color bleed on 4 sides and black ink on back

Print 1 page 8 ½ X 14 statements double sided and black ink

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, traying and delivering to USPS

*.179 per piece + ACTUAL postage * (see how our postage rates are never margined and as low as you can possibly get them)*

Cortac Bills - Bills with no detachable stubs 8 ½ X 14 and no #9 included

Yield approximately 30,000

Free design, data set-up and implementation

Preprint 2 color shell with color bleed on 4 sides and black ink on back

Print 1 page 8 ½ X 14 statements double sided and black ink

1 - Outgoing #10.5 windowed envelope

Processing data, OCR formatting, CASS certify, first class presort, folding, inserting, metering, sorting, traying and delivering to USPS

.159 per piece + ACTUAL postage

Unsecured Bills - Bills with 1 detachable stubs 8 ½ X 14 and no #9 included

Yield approximately 20,000

Free design, data set-up and implementation

Preprint 2 color shell with color bleed on 4 sides and black ink on back

Print 1 page 8 ½ X 14 statements double sided and black ink

1 - Outgoing #10.5 windowed envelope

Processing data, OCR formatting, CASS certify, first class presort, folding, inserting, metering, sorting, traying and delivering to USPS

.193 per piece + ACTUAL postage

Mallings too Bulky for #10.5 Envelope

The Data Center will provide double windowed 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

Additional Page per page .07

Multiple Page Items - BUNDLING

For those items that we 'household' or 'bundle' to save you postage dollars, the charges are as stated above for the first page and .09 for each additional page. This process is where we take all accounts that have the same name and address and put them in the same envelope saving your count thousands of dollars in envelope and postage costs.



Envelope Estimate

The Data Center will order the number of envelopes needed based on the Counties' estimate. The County may choose to pay for the additional envelopes not used or have The Data Center warehouse them for the following year.

Comparing Apples to Apples

The Data Center would like to urge our potential clients to compare all items listed to all items listed by our competitors; including postage savings, envelopes, programming, proofs, etc. The pricing above is all inclusive. Postage provided by The Data Center will always be the lowest possible postage rate.

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. In addition The Data Center offers NCOA on demand so you know that the addresses we are mailing your tax bills to are current.

Based on the USPS current rates and our experience with Tax Notices, the 2011 costs for postage would be in the .34 - .37 range. This is a substantial savings in comparison to First Class or even Presort Rates which range from .412 - .44.

Further 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.
- Reduces costs in postage rates due to automation.