

PROFESSIONAL SERVICE AGREEMENT NO. 4178

Telecommunications Billing Audit

THIS **Telecommunications Billing Audit Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City") and TelResource, Inc. ("Consultant"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Consultant has agreed to provide telecom billing audit and correction services of any billing recoveries and expense savings for past and present monthly telecommunications invoices.

NOW, THEREFORE, City and Consultant agree as follows:

- 1. Scope.** Consultant shall provide telecommunication billing audit and correction services ("Services") in accordance with the attached proposal, as shown in Attachment A, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.
- 2. Term.** This Agreement is for one year. The parties may mutually extend the term of this Agreement for up to zero additional zero-year periods.
- 3. Compensation and Payment.** This Agreement is for an amount not to exceed 30% of the corrections, refunds, and adjustments achieved by Consultant per each audited account, such amount presently unknown but anticipated to be up to \$200,000.00, subject to approved extensions and changes. Payment will be made for Services completed and accepted by the City within 30 days of acceptance, billed monthly for 1/12th of the achieved savings amount per account, subject to receipt of an acceptable invoice each month. Notwithstanding the foregoing, all pricing and invoiced amounts must be in accordance with the provisions agreed upon and stated in Attachment A.

Invoices must be mailed to the following address, with a copy provided to the Contract Administrator via email:

City of Corpus Christi
Attn: Accounts Payable
P. O. Box 9277
Corpus Christi, Texas 78469-9277

- 4. Contract Administrator.** The Contract Administrator designated by the City is responsible for approval of all phases of performance and operations under this Agreement, including deductions for non-performance and authorizations for

payment. The City's Contract Administrator for this Agreement is as follows:

Name: Frank De Los Santos
Department: Information Technology
Phone: 361-826-3047
Email: frankd@cctexas.com

5. Insurance; Bonds; License.

(A) Before performance can begin under this Agreement, the Consultant must deliver a certificate of insurance ("COI"), as proof of the required insurance coverages, to the City's Risk Manager and the Contract Administrator. Additionally, the COI must state that the City will be given at least 30 days' advance written notice of cancellation, material change in coverage, or intent not to renew any of the policies. The City must be named as an additional insured. The City Attorney must be given copies of all insurance policies within 10 days of the City Manager's written request. Insurance requirements are as stated in Attachment B, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.

(B) Intentionally deleted.

(C) Prior to beginning work, Consultant must provide evidence of any valid professional license necessary for the performance of Services under this Agreement.

6. Standard of Care. Consultant warrants that all Services shall be performed in accordance with the standard of care used by similarly situated consultants performing similar services under the same type of professional license.

7. Non-Appropriation. The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30th annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in said budget, and it is within the sole discretion of the City's City Council to determine whether or not to fund this Agreement. The City does not represent that this budget item will be adopted, as said determination is within the City Council's sole discretion when adopting each budget.

8. Independent Contractor; Release.

(A) With the exception of Consultant's communications with telecom providers pertaining to accounts held in the City's name for which Services are being performed pursuant to this Agreement, both the City and Consultant shall act in an individual capacity and not as agents, representatives, employees, employers, partners, joint venturers, or associates of one another. Consultant shall perform all professional services as an independent contractor and shall furnish such Services in his/her/its own manner and method, and under no circumstance or condition

shall an employee, agent, or representative of either party be considered or construed to be an employee, agent, or representative of the other party.

(B) As an independent contractor, no workers' compensation insurance shall be obtained by City covering the Consultant and employees of the Consultant. The Consultant shall comply with any and all workers' compensation laws pertaining to the Consultant and employees of the Consultant.

9. **Subcontractors.** Consultant may not use subcontractors in connection with the work performed under this Agreement.
10. **Amendments.** This Agreement may be amended or modified only in writing executed by authorized representatives of both parties.
11. **Waiver.** No waiver by either party of any breach of any term or condition of this Agreement waives any subsequent breach of the same.
12. **Taxes.** The Consultant covenants to pay all payroll taxes including but not limited to Medicare taxes, FICA taxes, and unemployment taxes, and all other applicable taxes on the income generated by this Agreement. Upon request, the City Manager shall be provided proof of payment of these taxes within 15 days of such request.
13. **Notice.** Any notice required under this Agreement must be given by fax, hand delivery, or certified mail, postage prepaid, and is deemed received on the day faxed or hand-delivered or on the third day after postmark if sent by certified mail. Notice must be sent as follows:

IF TO CITY:

City of Corpus Christi
Attn: Frank De Los Santos, IT Business Operations Manager
1201 Leopard St.
Corpus Christi, TX 78401

IF TO CONSULTANT:

TelResource, Inc.
Attn: Larry Gomez
3319 Sidney Brooks, Bldg. 510, Ste B
San Antonio, TX 78235

14. ***Consultant shall fully indemnify, hold harmless and defend the City of Corpus Christi and its officers, employees and agents ("indemnitees") from and against any and all liability, loss, claims, demands, suits, and causes of action of whatever nature, character, or description on account of personal injuries, property loss, or damage, or any other kind of injury, loss, or damage, including all expenses of litigation,***

court costs, attorneys' fees and expert witness fees, which arise or are claimed to arise out of or in connection with a breach of this Agreement or the performance of this Agreement by the Consultant or results from the negligent act, omission, misconduct, or fault of the Consultant or its employees or agents. Consultant must, at its own expense, investigate all claims and demands, attend to their settlement or other disposition, defend all actions based thereon with counsel satisfactory to the City Attorney, and pay all reasonable charges of attorneys and all other costs and expenses of any kind arising or resulting from any said liability, damage, loss, claims, demands, suits, or actions. The indemnification obligations of Consultant under this section shall survive the expiration or earlier termination of this Agreement.

15. Termination.

(A) The City Manager may terminate this Agreement for Consultant's failure to perform the Services specified in this Agreement or to keep any required insurance policies in force during the entire term of this Agreement. The Contract Administrator must give the Consultant written notice of the breach and set out a reasonable opportunity to cure. If the Consultant has not cured within the cure period, the City Manager may terminate this Agreement immediately thereafter.

(B) Alternatively, the City Manager may terminate this Agreement for convenience upon 30 days' advance written notice to the Consultant. The City Manager may also terminate this Agreement upon 24 hours written notice to the Consultant for failure to pay or provide proof of payment of taxes as set out in this Agreement.

16. Assignment. No assignment of this Agreement by the Consultant, or of any right or interest contained herein, is effective unless the City Manager first gives written consent to such assignment. The performance of this Agreement by the Consultant is of the essence of this Agreement, and the City Manager's right to withhold consent to such assignment is within the sole discretion of the City Manager on any ground whatsoever.

17. Severability. Each provision of this Agreement is considered to be severable and, if, for any reason, any provision or part of this Agreement is determined to be invalid and contrary to applicable law, such invalidity shall not impair the operation of nor affect those portions of this Agreement that are valid, but this Agreement shall be construed and enforced in all respects as if the invalid or unenforceable provision or part had been omitted.

18. Order of Precedence. In the event of any conflicts or inconsistencies between this

Agreement, its attachments, and exhibits, such conflicts and inconsistencies will be resolved by reference to the documents in the following order of priority:

- A. this Agreement (excluding all attachments and exhibits);
- B. its attachments; then,
- C. its exhibits, if any.

- 19. Certificate of Interested Parties.** Consultant agrees to comply with Texas Government Code Section 2252.908, as it may be amended, and to complete Form 1295 "Certificate of Interested Parties" as part of this Agreement, if required to do so by law.
- 20. Governing Law.** This Agreement is subject to all applicable federal, State, and local laws, rules, and regulations. The applicable law for any legal disputes arising out of this Agreement is the law of the State of Texas, and such forum and venue for such disputes is the appropriate district, county, or justice court in and for Nueces County, Texas.
- 21. Entire Agreement.** This Agreement constitutes the entire agreement between the parties concerning the subject matter of this Agreement and supersedes all prior negotiations, arrangements, agreements and understandings, either oral or written, between the parties

(SIGNATURE PAGE FOLLOWS)



Attachment A: Telecommunications Consulting Services Proposal and Pricing

TELECOMMUNICATIONS CONSULTING AGREEMENT

This Telecommunications Services Agreement (“Agreement”) is made effective on this _____ day of _____, 2022 (the “Execution Date”) by and between **TelResource, Inc.**, a Texas Corporation with its principal place of business at 3319 Sidney Brooks, Bldg. 510, Suite B, San Antonio, Texas 78235, (“TelResource”) and City of Corpus Christi (“Client”), the two being jointly referred to herein as the “Parties”.

RECITALS

WHEREAS, TelResource desires to provide services as defined in the attached **Exhibit A** (“Services”) to its Clients; and

WHEREAS, TelResource purchases and maintains a unique business system (“Tools”) at its place of business in order to maintain and/or to perform the Services: Filing Systems, Database’s, Database Software, Equipment, Supplies, Work, Data or any other derivatives to provide the Services; and

WHEREAS, any communication, written or verbal, submitted by Client to TelResource, Inc. requesting additional work not covered by this Agreement, is to be understood as a valid work request to be performed at standard billable rates; and

WHEREAS, Client desires to receive the Services, and has requested TelResource to provide the Services in accordance with the terms of this Agreement: and

NOW, THEREFORE, in consideration of the terms and conditions contained herein, and for other good and valuable consideration, the undersigned agree as follows:

I TERM

A. Telecommunications Services Agreement. This Agreement and the terms herein once agreed upon by the parties shall become binding for a period of One (1) year from the execution date (the “Initial Term”), unless otherwise terminated pursuant to this Agreement.

B. Client Understands. Client agrees NOT to make changes or perform internal cost reduction projects on telecom accounts TelResource is analyzing during the term of this Agreement.

II AGREEMENTS BY THE PARTIES

A. Exclusive Agent Status. Client agrees that TelResource will be its sole agent in all matters pertaining to the Agreement.

B. TelResource Hours of Operation. TelResource shall perform all work and Client shall contact TelResource to process all service requests during the hours of Eight (8) AM to Five (5) PM (Central Standard Time), Monday through Friday, with the exception of any nationally recognized holiday. Should the Client require

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the Services outside of TelResource hours of operation, Client shall notify TelResource via after-hours lines or through an appropriate means of notification.

C. Letters of Agency (“LOA”). Client will provide TelResource with one (1) letter of agency (“LOA”) on Client’s letterhead. The LOA will be original and authorize TelResource to act as the Client’s agent in all matters related to telecommunication vendors in accordance to the terms and conditions set forth in this Agreement. The LOA does not authorize TelResource to enter into any contractual agreements on Client’s behalf nor does the LOA authorize TelResource to incur any debts in the name of Client.

D. Access to Personnel. Client shall grant TelResource permission upon written request and written approval by Client at least 24 hours in advance or sooner by agreement to interview key personnel regarding Client’s current and future telecommunications operations.

E. Access to Site. If physical inventory is deemed necessary, TelResource must notify and request preapproval from Client. Upon said approval, Client will assist and/or grant physical access upon written request and written approval by Client at least 24 hours in advance or sooner by agreement to TelResource in troubleshooting, inspecting, accounting for all telecommunications services and equipment the Client uses.

F. Access to Information. Client shall provide TelResource as needed with access to the following levels of information:

- Invoice copies of all telecommunications vendor billing for a three-month period and/or other media used to access any Client vendor billing, to include service contracts, amendments and/or addendums.
- Points of contact for current vendors to include contact names, addresses, telephone numbers, pending vendor contracts, agreements, quotes and/or letters of interest TelResource may require to access Client vendor services for account product and billing analysis

G. Tools. TelResource maintains certain “Tools” which are the exclusive properties of TelResource and at no time shall it become the property of Client.


H. Client Vendor Services. TelResource agrees Client may alter any service related to their current telecommunications services for which the Client has requested TelResource generate an audit. The Client acknowledges any such alteration in their service(s) may cause TelResource’s recommendations to be voided or to be changed due to their requested change during the audit process. Upon reasonable notice of Client of a potential change in service(s), TelResource shall provide Client with a good faith estimate of the additional work that TelResource anticipates from a change in service(s).

Client agrees TelResource shall be compensated for all additional work required to take into consideration the Client’s changes which have affected TelResource’s audit in progress. Client shall compensate TelResource as defined in this Agreement, Section III.

I. TelResource Consultancy Status. TelResource hereby, unequivocally, states that it shall act only in the role of a consultant and that it shall in no way act as an actual provider of cellular phones, dial tone, long distance, pagers or other vendor services, other than the Services specifically entered into Agreement by the Parties. TelResource thus accepts no liability for any vendors’ services other than the responsibilities explicitly stated in this document.

J. TelResource Recommendations. All information, recommendations, telecommunication plan layouts, written statements, and any other information presented within this document or during the course of the Client’s audit project are a result of conversations and/or information supplied to TelResource by its Client. Therefore, the Client acknowledges TelResource’s position, with respect to any vendor services or guarantees, is one of a consultant and at no time does TelResource make any claim or guarantee with respect to any vendor service other than the Services provided by TelResource as provided by this Agreement or as agreed upon by both parties.

K. TelResource Services. TelResource Services are proprietary and confidential in nature and no effort should be made to circumvent, bypass or compromise TelResource’s proprietary process in any manner.



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L. Vendor Invoicing. Client acknowledges that it is solely responsible for the timely payment of all vendor invoices and TelResource may forward any vendor's collection phone call or letter to Client.

M. TelResource Vendor Discretion. TelResource may, upon written approval from Client, contact any telecommunication vendor who may assist TelResource in either gaining a greater understanding of Client's current service(s) or to meet TelResource's obligations to the Client.

Client agrees to assist TelResource in maintaining vendor relationships and the cooperation of all telecommunications vendors or whom TelResource feels is being uncooperative with TelResource at any time while pursuing our contractual obligation to the Client.

III TELRESOURCE CONSULTING FEES

A. Audit Process: TelResource and Client agree to the pricing noted in **Exhibit A** for any recovery/savings, bandwidth/savings and/or service changes to current vendor services.

B. Travel Expenses It is hereby acknowledged and agreed that travel expenses must be preapproved by Client. TelResource shall invoice Client, at cost, for all reasonable travel expenses incurred, net payable 30 days. In order to be reimbursed by Client, the invoice must include all receipts and all travel and the maximum amount of travel expenses must be pre-approved, in writing, by Client. All travel will be in accordance with the City of Corpus Christi's Travel Policy.

C. Additional Work: TelResource and Client agree to the provision concerning additional work as described in Exhibit A.

IV TERMINATION

A. The parties specifically agree that each of the following constitutes good cause for termination and that either party may terminate this Agreement forthwith upon the occurrence of any one or more of the following events: (i) the appointment of a trustee, receiver or other similar custodian for all or any substantial part of the other's property; (ii) the filing of the petition by the other, or an answer, not denying jurisdiction, in a bankruptcy proceeding, under Chapters 7 or 11 of the Federal Bankruptcy Code, or any similar law. State or federal, whether now or hereafter existing, or if any such petition is filed against the other and not vacated or stayed within fifteen (15) days of such filing; (iii) the making, by the other, of an assignment for the benefit of its creditors; or (iv) the insolvency of the other.

B. Notwithstanding anything else in this Agreement, either party may terminate this Agreement for any reason upon fifteen (15) days written notice to the non-terminating party.

C. In the event Client fails to substantially comply with its obligations under this Agreement, TelResource may terminate this Agreement for good cause, on prior written notice to Client. TelResource shall initiate such termination by providing Client with a written notice that states the effective date of termination, explains the reason(s) for termination, and outlines the step(s) Client must take to cure the deficiencies that justify termination for good cause. TelResource's termination notice shall provide Client with at least ninety (90) days to cure such deficiencies specified in the written notice. If Client, within the ninety (90) day period, cures all deficiencies providing grounds for TelResource's notice, then Tel Resource's notice shall be null and void and termination may not proceed, and, if within the notice period Client has undertaken a cure that cannot be completed within the notice period, the notice period shall be extended for so long as Client is using reasonable efforts to cure.

D. The continuation of this Agreement after the close of any fiscal year of Client, which fiscal year ends on September 30th annually, is subject to appropriations and budget approval specifically covering this Agreement as an expenditure in said budget, and it is within the sole discretion of Client's City Council to determine whether or not to fund this Agreement. Client does not represent that this budget item will be

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adopted, as said determination is within the City Council's sole discretion when adopting each budget. Client is responsible to pay TelResource for all work completed prior to the event of non-appropriation.

- E. Client and TelResource acknowledge and agree payment term provisions within this Agreement supersede the expiration of this Agreement.

V MISCELLANEOUS

- A. **Assignment.** This Agreement will be legally binding and effective for the signatory parties as well as for those who succeed them legally. Neither party shall assign or transfer any of its rights or obligations hereunder without the prior written consent of the non-assigning party.
- B. **Client Confidentiality.** TelResource acknowledges that information provided by Client may be confidential in nature. Client agrees that TelResource may disclose such information to third parties upon written request by TelResource and written approval by Client as may be required to provide the Services. TelResource will require any third party to which the information is provided to sign a confidentially agreement to not disclose any information to other third parties. TelResource also acknowledges that any materials obtained from Client are property of Client and will be made available for Client pickup within thirty (30) days of expiration or earlier termination of this Agreement. Said materials may be destroyed by TelResource after thirty (30) written notice to Client. Both parties agree that a breach of this confidence constitutes just cause for immediate termination of this Agreement by Client.
- C. **Confidentiality.** Client understands and agrees that the terms, conditions and references of this Agreement are confidential as between Client and TelResource and shall not be disclosed by Client to any party other than the professional advisors of Client or as may be required by applicable law, subpoena, or court order. Both parties agree that a breach of this professional confidence constitutes just cause for immediate termination of this Agreement by TelResource. The Parties acknowledge that the Client is a Texas governmental entity subject to the Texas Public Information Act (the "Act"). Should Client receive a request for disclosure of Confidential Information pursuant to the Act, Client will promptly provide TelResource notice of such request in accordance with Section 552.305 of the Texas Government Code so that TelResource may avail itself of any opportunities to establish reasons why the information should be withheld prior to disclosing such information. The burden of establishing the applicability of exceptions to the disclosure of Confidential Information under the Act resides with TelResource. Should TelResource be unable to establish a valid exception from disclosure or exclusion from the Act or a protective order, then Client may release the information, solely to the extent necessary to comply with the Act.
- D. **Service Suspension Period.** Client's Services may be suspended at any time, should a Client fall 60 days delinquent with regard to any TelResource invoice.
- E. **Illegality.** If any term or provision of this Agreement shall be found to be illegal or unenforceable, then, notwithstanding such illegality or unenforceability, this Agreement shall remain in full force and effect and such term or provision shall be deemed to be deleted. In addition, this Agreement shall be terminated upon the determination of a governmental entity having jurisdiction over the Services provided pursuant to this Agreement and the relationship between the parties if Services provided hereunder are contrary to existing law.
- F. **Waiver.** No term or provision of this Agreement shall be deemed waived, and no breach or default shall be deemed excused unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. No consent by any party to, or waiver of a breach or default by the other, whether express or implied, shall constitute a consent to, waiver of or excuse for, any different or subsequent breach or default.
- G. **Notice.** All notices given hereunder and all payments to be made hereunder shall be sent to the addresses set forth in this contract or at such other addresses as a party may designate in writing and shall be deemed to have been delivered on the date personally delivered, three days from the date postmarked by

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mailing service, or the time at which the electronic communication was received.

- H. Indemnity.** Client and TelResource agree to indemnify, defend and hold harmless each other and each other's officers, directors and shareholders, for any liability incurred or threatened to be incurred to any third party as a result of each Parties own negligent conduct, willful acts or omissions, or that of its agents, servants, employees or any other parties over whom Client or TelResource exercises control. Such indemnification shall include, with limitation, any liability, including attorney's fees and court costs, incurred or threatened to be incurred by Client or TelResource as a result of any claim, demand, action, lawsuit or proceeding brought about by Client's or TelResource acts or omissions in connection with the transmission or republication of any material which is found to be defamatory in nature. This section H is not applicable to the Client due to constitutional restrictions on creation of a debt.
- I. Damages.** NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES (INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS, LOSS OF GOODWILL, BUSINESS INTERRUPTION, LOSS OF BUSINESS OPPORTUNITY OR ANY OTHER PECUNIARY LOSS) RESULTING FROM OR RELATING TO THIS AGREEMENT, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR THEORY OF STRICT LIABILITY EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- J. Entire Agreement.** This Agreement contains the entire agreement and understanding of the parties hereto and supersedes all prior statements, representations, understandings or agreements of the parties with respect to the subject matter contained herein.
- K. Governing Law.** This Agreement is executed in and shall be governed by the laws of the State of Texas, with exclusive venue in Nueces County, Texas.
- L. Attorney's Fees.** Except as provided otherwise herein, should it become necessary for either party to retain the service of any attorney to enforce its rights hereunder (including in-house counsel), and/or should any lawsuit be necessary to enforce said rights, then the prevailing party shall be entitled to receive reasonable attorney's fees from the other party, if awarded by judgment of a court.
- M. Vendor Services Liability.** Under no circumstances whatsoever shall TelResource be held liable for any failure, interruption and/or diminution of services provided by any vendor to Client, whether it be the result of any fire, flood, epidemic, earthquake or any other act of God, explosion, strike or other disputes, riot or civil disturbance, war (whether declared or undeclared), armed conflict, any municipal ordinance, or state or federal law, governmental order or regulation, or order of any Court of competent jurisdiction, or negligence (whether intended or unintended) or financial failure on the part of the vendor, or other similar forces not within the control of TelResource.

VI MEDIATION

- A.** The parties agree that all claims, disputes and controversies arising out of or in relation to the performance, interpretation, application or enforcement of this Agreement, including but not limited to the breach thereof, shall be referred to mediation. Mediation will take place in Nueces County, Texas, before a mutually agreed upon Mediator.

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By the signatures below, the Parties signify that they have reviewed and understand this Agreement and that they shall abide by all of the above listed terms.

TELRESOURCE, INC

DocuSigned by:
Larry Gomez

By: Larry Gomez

Title: President

Date of Execution: 12/14/2022

CLIENT:

City of Corpus Christi

By: _____

Title:

Date of Execution: _____

ALL AGREED & APPROVED AS TO FORM:

By: _____

Title: Assistant City Attorney

Date of Execution: _____

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Pricing Exhibit A
for Telecom Billing Audit / Inventory Services
and Optional Consulting Services

Telecom Billing Audit Services:

TelResource, Inc. (the “Company”) will provide a starting baseline expense report that will account for all wireline and wireless billed service, per billing account. This will be the original cost benchmark used for the percentage fee for conducting the audit of telecommunication’s invoices. Client shall pay to the Company amounts equal to **30%** of all service billing refunds and annualized service augmentation savings received by Company. The annualized amount for each component of savings shall be calculated beginning on the date such component of savings began and end twelve months thereafter. The Company shall deliver to Client monthly invoices describing the Fees payable by Client to the Company for work performed and refunds and/or savings received by Client during the prior month.

Fees for Service

- 30% for all refunds and/or credits adjustments (One-Time Fee)and
 - **Payment terms:** upon receipt of itemized invoice.

- 30% of first year’s savings due to re-negotiated rates, disconnected services or recommendations implemented resulting in future and/or bandwidth savings. (One-Time Fee, of a twelve (12) month period)
 - **Payment terms:** upon receipt of itemized invoice

*If Client decides not to implement feasible recommendations that would have resulted in future savings, Client agrees to not implement recommendations within the next 6 month period following client’s decline of the recommendations without paying TelResource the fees Client would have been obligated to pay under this Agreement.

Should one or more physical inventories be necessary, as compensation for conducting each physical inventory, Client shall also pay the Company \$1,250.00 per site for wired services and \$1,250.00 per scheduled visit for wireless services equipment. Each physical inventory service must be pre-approved in writing by Client and the Company; an email exchanged between authorized representatives of each party is sufficient for this purpose.

Invoice and Future Saving:

Client will pay the Company’s periodic invoices within 30 days of receipt, provided each invoice covers refunds or credits actually received from a service provider. With regard to future savings, the Client will pay invoices within 30 days of receiving an invoice from a service provider reflecting the corrected pricing on a service previously subject to overbilling, or the disconnection of service which was no longer utilized by Client but which the service provider failed to remove from Client’s account(s) and for which it continued to bill. Future savings will not apply to instances of slamming (where service provider switches service without Client’s consent) and cramming (where service provider bills for a service that was not authorized by Client). Moreover, future savings shall not apply to one-time charges, such as installation, early termination, or service order charges.

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The Company, during a telecommunications billing audit, will find instances of Client overbilling on existing services and will correct and fix these billing issues. The Company will invoice Client for actual savings per month. See examples below:

- **Disconnection of Obsolete Services.** The Company finds services that Client is no longer using but for which the service provider has continued to bill, the Company will request their disconnection. Client will pay Future Savings to Company in the amount of **30%** percent of savings over a 12 month period.
 - Example: Company finds that service provider is billing \$125.00 per month for T-1 circuit that is obsolete and Company moves to cancel it. The Company will invoice Client as follows: $\$125.00 \times 12 \text{ months} = \$1,500.00$ in annual savings $\times 30\% = \$450.00$.
 -
- **Contract Rate vs Billed Rate.** Company identifies instance in which the service provider is charging for services at a higher rate than the contract rate and Company gets service provider to start billing the lower contractual rate. The Client will pay Future Saving in the amount of **30%** of realized savings over a 12 month period.
 - Example: Company finds that Client is being billed on a monthly basis \$1,400.00 for a communications circuit for which the contract rate is \$1,000.00 per month, and successfully gets the service provider to correct the monthly rate. The Company will invoice Client as follows: $\$1,400.00 - \$1,000.00 = \$400$ in actual monthly savings $\times 12 \text{ months} = \$4,800.00$ annual savings $\times 30\% = \$1,440.00$.
- **Billed Rate vs. New or Amended Contract.** The Company identifies a service for which the service provider is charging a rate that is above the prevailing market level. The Company successfully negotiates a reduced rate and the contract is amended resulting in savings to Client. Alternatively, under the same scenario, the Company successfully identifies an alternative contract that Client is eligible to access with the same or different service provider resulting in savings to Client for the same service. Client will pay Future Saving in the amount of **30%** of realized savings over 12 months less any applicable cancellation penalties, installation fees, or other miscellaneous charges. In addition, where the service is replaced with an alternative service from a different service provider, the Future Savings will be calculated for a 10 month period in order to account for redundancy of service while the service is transferred to the new service provider.
 - Example 1: Company successfully negotiates a reduced rate of \$1,000.00 for a service for which the service provider was billing at the monthly rate of \$1,400.00 and the service provider agrees to amend the contract to recognize the reduced rate going forward. The Company will invoice Client as follows: $\$1,400.00 - \$1,000.00 = \$400.00$ in actual monthly savings $\times 12 \text{ months} = \$4,800.00$ annual savings $\times 30\% = \$1,440.00$.
 - Example 2: Company successfully identifies an alternative contract that Client is eligible to access with a different service provider for the same service, and the

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Client may terminate the service with the existing service provider without incurring any penalties. Upon the installation of completion of the service transfer, the Company will invoice Client as follows: $\$1,400.00 - \$1,000.00 = \$400.00 \times 10 \text{ months} = \$4,000.00$. In the event Client is assessed a cancellation or installation fee to complete the transfer of service, of say $\$1,200.00$, the Company will invoice Client as follows: $\$1,200.00$ (miscellaneous fee) $\div 12 \text{ months} = \100.00 (monthly portion of miscellaneous fee). Thereafter, $\$1,400.00 - \$1,000.00 = \$400.00 - \$100.00 = \$300.00 \times 10 \text{ months} = \$3,000.00$ in annual savings $\times 30\% = \$900.00$.

Like-for-Like Services:

The Company, during a telecommunications billing audit, will find Client overbillings for different types of services. The Company will find savings for the communications services Client presently has and invoice accordingly. If Client decides to increase or change communications services that are at the same rate level as existing services, the Company will continue to invoice for the savings for 12 months. See example below:

- Example: Currently, Client has a T-1 circuit for internet broadband service at a speed of 100 Mbps billed at $\$1000.00$ per month. The Company requests new price points and increased bandwidth for replacement service. Assume one service provider comes back with a T-1 circuit for internet broadband service priced at $\$800$ with connectivity speed of 200 Mbps and Client is eligible to receive service under an existing contract with the service provider consistent with procurement regulations. Client decides to increase bandwidth to 200 Mbps so that the new monthly rate is reduced by $\$200$. Under this scenario, the Company will invoice Client for the savings on a Like-for-Like service basis as follows: $\$1000.00$ (current monthly rate) - $\$200.00$ (monthly savings) = $\$800.00$ (new monthly rate) $\times 12 \text{ months} = \$9,600.00$.


Taxes and Regulatory Fees:

As a tax exempt organization, Client should not be paying taxes and/or other inappropriate regulatory fees. Should the Company find that a service provider has been inappropriately assessing Client be such fees and/or taxes, and the Company successfully negotiates the refund of incorrectly assessed taxes and/or fees, the Company will be entitled to receive **30%** of the refund or invoice credit received by Client. The Company will correct with the carrier the tax exempt status of Client.

Contractual Negotiations, Renegotiations and Related Savings:

The Company will work on Client's behalf to make sure Client is receiving the best possible rates for any and all carrier services.

As part of the initial engagement, the Company will determine a baseline of communications services costs that Client is receiving from multiple service providers. Client is required to accept and agree that the baseline will be the benchmark of what Company will be using to formulate the



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savings Client receives during the engagement with Company, provided the baseline accurately represents actual costs for communications services under Client contracts. The Company will develop and explain the baseline to Client.

- Example: Carrier offers Client Session Internet Protocol (“SIP”) services proposal for \$9,000.00 per month. The Company negotiates on behalf of Client and informs carrier of promotional offer under which the SIP services would be billed at \$4,000.00 per month. Accordingly, the carrier updates the SIP proposal to \$4,000.00 per month. The Company will be entitled to Future Savings as follows: $\$9,000.00 - \$4,000.00 = \$5,000.00$ (negotiated monthly savings) x 12 months = \$60,000.

Additional Services Available – Consulting/Sourcing

Consulting /Sourcing services will be provided to Client to meet specific needs, if requested by Client and the parties execute an amendment to this Agreement.

The Company offers consulting services that are billed on an hourly basis. These services may include, but are not limited to, training for online telecom billing portals, such as AT&T’s Business Direct online platform; training internal employees and personnel on telecom terms and products; or personally attending Client business meetings with carriers.

Client may purchase blocks of hours at a reduced rate. Standard hourly rate is \$150.00 per hour for professional consulting staff.

Blocks of hours are offered as follows:

- 15 hours - \$2025. (\$135.00 Per hour)
- 20 hours - \$2600. (\$130.00 Per hour)
- 40 hours - \$5000. (\$125.00 Per hour)

If additional hours are necessary to complete a project after purchasing a block of hours, the remaining hours will be billed at the standard hourly rate of \$150.00 per hour.

Project management pricing for larger projects will be quoted separately and customized to Client’s specific requirements.

Physical Site Survey If physical inventory is deemed necessary, the Company must notify and request preapproval from Client. Upon said approval, Client will assist and/or grant physical access upon written request and written approval by Client at least 24 hours in advance or sooner by agreement to the Company in troubleshooting, inspecting, accounting for all telecommunications services and equipment the Client uses.

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Attachment B: Insurance and Bond Requirements

A. CONTRACTOR'S LIABILITY INSURANCE

1. Contractor must not commence work under this contract until all insurance required has been obtained and such insurance has been approved by the City. Contractor must not allow any subcontractor, to commence work until all similar insurance required of any subcontractor has been obtained.
2. Contractor must furnish to the City's Risk Manager and Contract Administer a copy of Certificates of Insurance with applicable policy endorsements showing the following minimum coverage by an insurance company(s) acceptable to the City's Risk Manager. Project name and/or number must be listed in Description Box of Certificate of Insurance.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
PROFESSIONAL LIABILITY (Errors and Omissions)	\$1,000,000 Per Claim (Defense costs not included in face value of the policy) If claims made policy, retro date must be at or prior to inception of agreement, have extended reporting period provisions and identify any limitations regarding who is insured.

3. In the event of accidents of any kind related to this contract, Contractor shall furnish the Risk Manager with copies of all reports of any accidents within 10 days of the accident.

B. ADDITIONAL REQUIREMENTS

1. Contractor shall obtain and maintain in full force and effect for the duration of this Contract, and any extension hereof, at Contractor's sole expense, insurance coverage written on an occurrence basis by companies authorized and admitted to do business in the State of Texas and with an A.M. Best's rating of at least A- with a Financial Size Category of Class VII or higher.
2. Contractor shall be required to submit renewal certificates of insurance throughout the term of this contract and any extensions within 10 days of the policy expiration dates. All notices under this Exhibit shall be given to

City at the following address:

City of Corpus Christi
Attn: Risk Manager
P.O. Box 9277
Corpus Christi, TX 78469-9277

3. Certificate of insurance shall specify that at least 30 calendar days advance written notice will be provided to City of any, cancellation, non-renewal, material change or termination in coverage and not less than 10 calendar days advance written notice for nonpayment of premium.
4. Within 5 calendar days of a cancellation, non-renewal, material change or termination of coverage, Contractor shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Contractor's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this contract.
5. In addition to any other remedies the City may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Contractor to stop work hereunder, and/or withhold any payment(s) which become due to Contractor hereunder until Contractor demonstrates compliance with the requirements hereof.
6. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work covered under this contract.

Contractor's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of Corpus Christi for liability arising out of operations under this contract.

The insurance required is in addition to and separate from any other obligation contained in this contract.

No Bond is required for this agreement.

2021 Insurance Requirements
Ins. Req. Exhibit **3-H**
Professional Services - Other Professional Services
05/10/2021 Risk Management – Legal Dept.