

## SERVICE AGREEMENT NO. 1578

### Utility Bill Printing, Mailing, and Insert Printing Services

THIS **Utility Bill Printing, Mailing, and Insert Printing Services Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City") and Information Management Solutions, L.L.C. ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Contractor has bid to provide Utility Bill Printing, Mailing, and Insert Printing Services in response to Request for Bid/Proposal No. 1578 ("RFB/RFP"), which RFB/RFP includes the required scope of work and all specifications and which RFB/RFP and the Contractor's bid or proposal response, as applicable, are incorporated by reference in this Agreement as Exhibits 1 and 2, respectively, as if each were fully set out here in its entirety.

NOW, THEREFORE, City and Contractor agree as follows:

- 1. Scope.** Contractor will provide Utility Bill Printing, Mailing, and Insert Printing Services ("Services") in accordance with the attached Scope of Work, 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, and in accordance with Exhibit 2.
- 2. Term.** This Agreement is for 12 months, with performance commencing upon the date of issuance of a notice to proceed from the Contract Administrator or Purchasing Division. The parties may mutually extend the term of this Agreement for up to four additional 12-month periods ("Option Period(s)"), provided, the parties do so in writing and prior to the expiration of the original term or the then-current Option Period. The City's extension authorization must be executed by the City Manager or designee.
- 3. Compensation and Payment.** The total value of this Agreement is not to exceed \$886,886.48, subject to approved extensions and changes. Payment will be made for Services completed and accepted by the City within 30 days of acceptance, subject to receipt of an acceptable invoice. All pricing must be in accordance with the attached Bid/Pricing Schedule, as shown in Attachment B, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.
- 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: Margaret Morin  
Department: Finance Department, Utility Business Office  
Phone: (361) 826-3628  
Email: MargaretP@cctexas.com

**5. Insurance; Bonds.**

(A) Before performance can begin under this Agreement, the Contractor 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 C, the content of which is incorporated by reference into this Agreement as if fully set out here in its entirety.

(B) In the event a payment bond, a performance bond, or both, are required of the Contractor to be provided to the City under this Agreement before performance can commence, the terms, conditions, and amounts required in the bonds and appropriate surety information are as included in the RFB/RFP or as may be added to Attachment C, and such content is incorporated here in this Agreement by reference as if each bond's terms, conditions, and amounts were fully set out here in its entirety.

**6. Purchase Release Order.** For multiple-release purchases of Services to be provided by the Contractor over a period of time, the City will exercise its right to specify time, place and quantity of Services to be delivered in the following manner: any City department or division may send to Contractor a purchase release order signed by an authorized agent of the department or division. The purchase release order must refer to this Agreement, and Services will not be rendered until the Contractor receives the signed purchase release order.

**7. Inspection and Acceptance.** Any Services that are provided but not accepted by the City must be corrected or re-worked immediately at no charge to the City. If immediate correction or re-working at no charge cannot be made by the Contractor, a replacement service may be procured by the City on the open market and any costs incurred, including additional costs over the item's bid/proposal price, must be paid by the Contractor within 30 days of receipt of City's invoice.

**8. Warranty.**

(A) The Contractor warrants that all products supplied under this Agreement are new, quality items that are free from defects, fit for their intended purpose, and of good material and workmanship. The Contractor warrants that it has clear title to the products and that the products are free of liens or encumbrances.

(B) In addition, the products purchased under this Agreement shall be warranted by the Contractor or, if indicated in Attachment D by the manufacturer, for the period stated in Attachment D. Attachment D is attached to this Agreement and is incorporated by reference into this Agreement as if fully set out here in its entirety.

9. **Quality/Quantity Adjustments.** Any Service quantities indicated on the Bid/Pricing Schedule are estimates only and do not obligate the City to order or accept more than the City's actual requirements nor do the estimates restrict the City from ordering less than its actual needs during the term of the Agreement and including any Option Period. Substitutions and deviations from the City's product requirements or specifications are prohibited without the prior written approval of the Contract Administrator.
10. **Non-Appropriation.** The continuation of this Agreement after the close of any fiscal year of the City, which fiscal year ends on September 30<sup>th</sup> 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.
11. **Independent Contractor.** Contractor will perform the work required by this Agreement as an independent contractor and will furnish such Services in its own manner and method, and under no circumstances or conditions will any agent, servant or employee of the Contractor be considered an employee of the City.
12. **Subcontractors.** Contractor may use subcontractors in connection with the work performed under this Agreement. When using subcontractors, however, the Contractor must obtain prior written approval from the Contract Administrator if the subcontractors were not named at the time of bid or proposal, as applicable. In using subcontractors, the Contractor is responsible for all their acts and omissions to the same extent as if the subcontractor and its employees were employees of the Contractor. All requirements set forth as part of this Agreement, including the necessity of providing a COI in advance to the City, are applicable to all subcontractors and their employees to the same extent as if the Contractor and its employees had performed the work.
13. **Amendments.** This Agreement may be amended or modified only by written change order signed by both parties. Change orders may be used to modify quantities as deemed necessary by the City.

14. **Waiver.** No waiver by either party of any breach of any term or condition of this Agreement waives any subsequent breach of the same.
15. **Taxes.** The Contractor covenants to pay payroll taxes, Medicare taxes, FICA taxes, unemployment taxes and all other related taxes. Upon request, the City Manager shall be provided proof of payment of these taxes within 15 days of such request.
16. **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: Margaret Morin  
Title: Utility Business Office Manager  
Address: 1201 Leopard Street, 1<sup>st</sup> Floor, Corpus Christi, TX 78401  
Phone: (361) 826-3628  
Fax: (361) 826-3174

**IF TO CONTRACTOR:**

Information Management Solutions, L.L.C.  
Attn: T. Kelly Dowe  
Title: Vice President  
Address: 2416 Brockton St. #105, San Antonio, TX 78217  
Phone: (210) 826-4994  
Fax: (210) 826-2676

17. **CONTRACTOR 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 CONTRACTOR OR RESULTS FROM THE NEGLIGENT ACT, OMISSION, MISCONDUCT, OR FAULT OF THE CONTRACTOR OR ITS EMPLOYEES OR AGENTS. CONTRACTOR 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 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 CONTRACTOR UNDER THIS SECTION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.**

**18. Termination.**

(A) The City Manager may terminate this Agreement for Contractor's failure to perform the work 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 Contractor written notice of the breach and set out a reasonable opportunity to cure. If the Contractor 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 Contractor. The City Manager may also terminate this Agreement upon 24 hours written notice to the Contractor for failure to pay or provide proof of payment of taxes as set out in this Agreement.

**19. Assignment.** No assignment of this Agreement by the Contractor, 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 Contractor 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.

**20. 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.

**21. 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 attachments and exhibits);
- B. its attachments;

- C. the bid solicitation document including any addenda (Exhibit 1); then,
- D. the Contractor's bid response (Exhibit 2).

- 22. **Certificate of Interested Parties.** Contractor 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.
- 23. **Verification Regarding Israel.** In accordance with Chapter 2270, Texas Government Code, the City may not enter into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The signatory executing this Agreement on behalf of the Contractor verifies that the company does not boycott Israel and will not boycott Israel during the term of this Agreement.
- 24. **Governing Law.** This Agreement is subject to all 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 form and venue for such disputes is the appropriate district, county, or justice court in and for Nueces County, Texas.
- 25. **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)

**CONTRACTOR**

Signature: T. Kelly Dowe

Printed Name: Thomas Kelly Dowe

Title: Vice President

Date: July 19, 2018

**CITY OF CORPUS CHRISTI**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Attached and Incorporated by Reference:**

Attachment A: Scope of Work

Attachment B: Bid/Pricing Schedule

Attachment C: Insurance and Bond Requirements

Attachment D: Warranty Requirements

**Incorporated by Reference Only:**

Exhibit 1: RFB/RFP No. 1578

Exhibit 2: Contractor's Bid/Proposal Response

## **Attachment A: Scope of Work**

### **1. General Requirements**

- A. The Contractor is responsible for receiving and processing a daily data file transfer, printing, and folding of bills and inserts, envelope inserting, presorting, metering, and mailing. Inserts are to be printed directly from industry-standard electronic files (e.g., Adobe, Photoshop, Illustrator, InDesign, PDF) on uncoated or coated paper and are mailed with utility bills.
- B. Daily production averages approximately 116,025 monthly bills and 20,845 delinquency monthly bills. A billing schedule will be provided to the Contractor monthly, which includes but not limited to delinquent notices, E-Bills and cancel/rebills. Currently, there are 20 billing cycles and 20 delinquent notice cycles generated daily based upon due date.
- C. The Contractor shall provide a high quality, accurate and timely printed bill for the City's utility customers.
- D. The Contractor shall obtain the lowest possible postage costs throughout the contract term. The Contractor shall provide USPS CASS (US Postal Service Coding Accuracy Support System) certification and correcting of zip code and delivery information as necessary prior to printing. Vendor will assume liability of any penalties assessed for any erroneous bar coding.

### **2. Scope of Work**

#### **A. General Services**

- 1. The City of Corpus Christi will provide data to the Contractor.
- 2. The Contractor shall provide security of information and supervision from start to finish.
- 3. The Contractor shall house envelopes in a climate-controlled environment
- 4. The Contractor shall accept electronic data transmissions 24/7.
- 5. The Contractor shall perform custom programming, to modify the bill format as requested.
- 6. The Contractor shall have an emergency backup plan to avoid out-of-service situations.
- 7. The Contractor shall provide a web service or a type of Application Program Interface to allow for the extraction of statements for automation purposes and displaying content line. This web service or Application Program Interface shall provide methods to pull individuals statements by bill date and account number and should allow for the statements to be returned to the client "City of Corpus Christi" in a file or provide a URL to the statement online. Minimally, 12 months of



statement data should be available via this web service or Application Program Interface.

B. Daily Transmission of Electronic Data

1. XML files will be provided by the City.
2. Contractor shall provide a secure electronic means for file transmission.
3. The Contractor shall confirm receipt of the file daily by return email to the person transmitting the file when the file is received.
4. Contractor shall provide a report daily when the file has been processed for printing. Report will include billing cycles, number of pulled bills, and account classes. Also included in the report shall be the amount of postage charges for the billing including number of pieces of mail and postage rate classes. Parameters may be subject to change.
5. Data may be transmitted by the City in multiple files throughout the day. Files received by the Contractor prior to noon, local time, should be processed and mailed the same day.

C. Bill Formatting

The Contractor will provide the following information on each bill:

1. Pro-rated amounts for items such as new rates, partial months, etc.
2. A defined graph to indicate usage in thousands of gallons/millions to reflect for water services and unit of measurement for gas services, in the form of MCF (thousands of cubic feet), and irrigation in thousands of gallons.
3. Any payment plan amounts and disputed bill amounts.
4. A designation of current bill, final bill, corrected bill and notice of delinquency.
5. A message center notification area. Messaging will be provided via email with direct text or attachment containing message.
6. The top portion of bill shall be for customer retention and shall contain billing information.
7. The bottom shall be perforated to produce a return stub to be returned by customer with payment.
8. Postal bar codes and OCR A scan line is required.
9. Change of statement notice and delinquency notice design, maximum of two per year.

D. Envelope Requirements

The Contractor will provide the following envelopes:

1. Mail out envelopes. The envelopes that will be used to mail the bills. These envelopes must include the City logo and a return address and envelope must be windowed.
2. The ancillary endorsement "Return Service Requested" option will be mandated. The process communicates to the USPS the City of Corpus Christ expects the USPS to return any mail pieces that require an address change with the new address information applied to the mail piece. This allows for City of Corpus Christi to apply the change to their address in the database and re-process the account.
3. Return envelopes. Return envelopes are included inside the mail out envelope with the bill to allow customers to return payments. Return envelopes must be #8 5/8 windowed envelopes. Envelope will also have a "don't forget" message printed on the backside of the envelope and a sample of this language will be provided by the City. The glue on the envelope flap must extend from end to end of the closure flap for proper sealing.
4. Bulk envelopes. Bulk envelopes are used to mail bills to customers such as apartment complexes who have multiple accounts going to the same address in a single envelope.

E. Approval of Forms and Envelope Orders

1. The City will approve print stock and envelopes. Any changes during the contract will require Contract Administrator approval.
2. Bill proofs shall be provided to the Contract Administrator for approval prior to first printing and at any time a change in format is made.
3. All artwork remains the property of the City of Corpus Christi.

F. Data Processing and Mail Preparation

1. The Contractor shall selectively exclude bill types from printing (PULL BILLS, EBILL, CITY, PARK AND STATE USE) and others identified in the file.
2. The Contractor must have or obtain within 90 days Coding Accuracy Support System (CASS) certification to ensure lowest possible postage costs.
3. Bills going to same mailing address are to be inserted up to three into the standard mail-out envelope or four or greater for stuffing into one bulk envelope.
4. All outgoing mail shall conform to postal requirements for automated processing.
5. Provide the ability for the City to pull bills and delinquent notices, no later than noon, local time, if needed.

6. Have designated bills, but not limited to, all pulled statements, cancel/rebill statements, and final statement sent directly to the City before 3:00 PM, instead of being mailed to the individual customers.

G. Bill Printing

1. Contractor shall utilize high quality print, with a minimum of two colors, preferred color teal/black to be used, and double sided capability.
2. Contractor shall use a minimum of 20-pound bond paper for bills and inserts.
3. No postcards will be utilized for billing purposes.

H. Insert Printing

The Contractor shall either receive Pre-Printed Inserts from the city of Corpus Christi for processing with the monthly billing statements to be mailed **or** as an option to the City departments, the contractor will receive an electronic version of monthly inserts to be printed and processed with the monthly billing statements to be mailed.

1. If processing pre-printed inserts from the City of Corpus Christi, the contractor shall fold and insert the pre-printed insert to fit mail out or bulk envelope as appropriate.
2. When Contractor is requested to print inserts for the City, Contractor must be able to provide a one or two sided insert, with up to four color imprint options printing on the front and back of the insert. Inserts shall be folded to fit mail out or bulk envelope, as appropriate. If the Contractor prints the inserts, the processing fee shall be included in the printing cost and shall be waived. Insert sizes will vary between:
  - Small – 8½" x 3½"
  - Medium – 8½ x 5½"
  - Large – 8½ x 11"

I. Utility Bill Folding and Inserting

1. Contractor shall fold statement to fit mail out or bulk envelope, as appropriate.
2. Contractor's equipment must have multiple page and selective inserting capabilities.
3. Typical bills include the statement, a return envelope, and up to three additional inserts.

J. Mailing

1. The Contractor shall process and mail bills received by noon, local time, from the City the same day they are received.
2. The City of Corpus Christi will provide a monthly postage check to be held by the Contractor in a postage on hand account and drawn from as needed. The Contractor will obtain the best possible postage rates for bulk mailing.

3. Contractor shall provide a postage usage report monthly. Usage information will be utilized by the City of Corpus Christi to adjust the monthly postage check amount as needed. If at the end of the contract a credit balance is realized, the City should be reimbursed within 30 business days.
4. Contractor must provide document tracking for all statements.

K. Access to Electronic Bill and Notice Images

1. Contractor shall provide access for City staff via password secured internet site to exact replicas of customer bills in PDF format for a period of 12 months.
2. Contractor shall provide search capability based on account number, date and date range and bill number.
3. Contractor shall have capability to email bill image from the Contractor's site.
4. Contractor shall provide PDF image of each statement processed after mailing is completed.

L. Invoicing

1. Contractor shall invoice monthly. Invoicing must include itemized postage for number daily mail outs and daily postage rates.
2. The Contractor shall only invoice for work completed.
3. The Contractor shall itemize the services provided in accordance with the contract price sheet.
4. The Contractor shall list the number of bills printed for the period on the invoice.

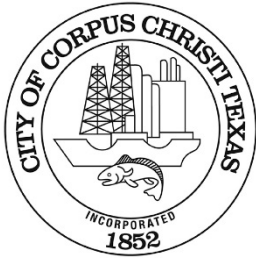
M. Warranty

The Contractor is responsible for all costs associated with errant printing and mailing of bills that are at no fault of the City.

**3. Post Award**

A. Timeline and Implementation

1. Contractor will work with the Contract Administrator to coordinate between the City of Corpus Christi Utility Billing Office (UBO) staff members for all development, formatting bill, XML mapping, testing, to ensure the bill format is approved by the Contract Administrator.
2. The Contractor shall complete a full implementation within 45 days, upon final award of the contract.



## Attachment B: Bid/Pricing Schedule

### CITY OF CORPUS CHRISTI

Revised Pricing Form 05/09/2018

PURCHASING DIVISION

RFP No. 1578

## Utility Bill Printing, Mailing, and Insert Printing Services

PAGE 1 OF 1

DATE: May 21, 2018

Information Management Solutions, LLC

PROPOSER

T. Kelly Dowe

AUTHORIZED SIGNATURE

1. Refer to "Instructions to Proposers" and Contract Terms and Conditions before completing proposal.
2. Provide your best price for each item.
3. In submitting this proposal, Proposer certifies that:
  - a. the prices in this proposal have been arrived at independently, without consultation, communication, or agreement with any other Proposer or competitor, for the purpose of restricting competition with regard to prices;
  - b. Proposer is an Equal Opportunity Employer; and the Disclosure of Interest information on file with City's purchasing office, pursuant to the Code of Ordinances, is current and true.
  - c. Proposer has incorporated any changes issue through Addenda to the RFP in this pricing.

ITEM	DESCRIPTION	ESTIMATED QTY	UNIT	UNIT PRICE	TOTAL PRICE
1.0	Implementation	1	LS	\$0.000	\$ 0.00
2.0	Printing and mailing of statements and notices	1,643,000	EA	\$0.119	\$ 195,517.00
3.0	Printing and Processing of Small Inserts up to four colors	913,188	EA	\$0.018	\$ 16,437.38
4.0	Printing and Processing of Medium Inserts up to four colors	913,188	EA	\$0.027	\$ 24,656.08
5.0	Printing and Processing of Large Inserts up to four colors	913,188	EA	\$0.032	\$ 29,222.02
6.0	City Supplied Pre-Printed Insert Processing Fee	913,188	EA	\$0.000	\$ 0.00
7.0	Postage price per mailing	1,643,000	EA	\$0.378	\$621,054.00
8.0	Statement and Delinquency Notice Design Change (2 per year Maximum)	2	EA	\$0.000	\$ 0.00
GRAND TOTAL				\$	\$ 886,886.48

## Attachment C: Insurance and Bond Requirements

### I. CONTRACTOR'S LIABILITY INSURANCE

- A. 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.
- B. Contractor must furnish to the City's Risk Manager and Contract Administer one (1) 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. The City must be listed as an additional insured on the General liability and Auto Liability policies **by endorsement**, and a waiver of subrogation **endorsement** is required on all applicable policies. **Endorsements** must be provided with Certificate of Insurance. Project name and/or number must be listed in Description Box of Certificate of Insurance.

TYPE OF INSURANCE	MINIMUM INSURANCE COVERAGE
<b>30-day advance written notice of cancellation, non-renewal, material change or termination required on all certificates and policies.</b>	<b>Bodily Injury and Property Damage</b> Per occurrence - aggregate
COMMERCIAL GENERAL LIABILITY including: 1. Commercial Broad Form 2. Premises – Operations 3. Products/Completed Operations 4. Contractual Liability 5. Independent Contractors 6. Personal Injury- Advertising Injury	\$1,000,000 Per Occurrence \$1,000,000 Aggregate
AUTO LIABILITY (including) 1. Owned 2. Hired and Non-Owned 3. Rented/Leased	\$1,000,000 Combined Single Limit
WORKERS'S COMPENSATION (All States Endorsement if Company is not domiciled in Texas) Employers Liability	Statutory and complies with Part II of this Attachment.  \$500,000/\$500,000/\$500,000
ERRORS & OMISSIONS	\$1,000,000 Per Occurrence \$2,000,000 Aggregate
CYBER LIABILITY	\$1,000,000 Per Occurrence \$2,000,000 Aggregate

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

II. ADDITIONAL REQUIREMENTS

- A. Applicable for paid employees, Contractor must obtain workers' compensation coverage through a licensed insurance company. The coverage must be written on a policy and endorsements approved by the Texas Department of Insurance. The workers' compensation coverage provided must be in statutory amounts according to the Texas Department of Insurance, Division of Workers' Compensation. An All States Endorsement shall be required if Contractor is not domiciled in the State of Texas.
- B. 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 no less than A- VII.
- C. 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

- D. **Contractor agrees that, with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following required provisions:**
- List the City and its officers, officials, employees, and volunteers, as additional insureds by endorsement with regard to operations, completed operations, and activities of or on behalf of the named insured performed under contract with the City, with the exception of the workers' compensation policy;
  - Provide for an endorsement that the "other insurance" clause shall not apply to the City of Corpus Christi where the City is an additional insured shown on the policy;
  - Workers' compensation and employers' liability policies will provide a waiver of subrogation in favor of the City; and
  - Provide thirty (30) calendar days advance written notice directly to City of any, cancellation, non-renewal, material change or termination in coverage and not less than ten (10) calendar days advance written notice for nonpayment of premium.
- E. Within five (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.

- F. 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.
- G. 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.
- H. It is agreed that 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.
- I. It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this contract.

2018 Insurance Requirements  
Purchasing – UBO  
Customer Utility Billing Services  
03/27/2018 sw Risk Management

**Bonds are not required for this service.**



## **Attachment D: Warranty**

Section 8. Warranty of this service agreement is null; warranty is not required.