SERVICE AGREEMENT NO. 1428

Security Alarm Permitting and False Alarm Management System

THIS **Security Alarm Permitting and False Alarm Management System Agreement** ("Agreement") is entered into by and between the City of Corpus Christi, a Texas home-rule municipal corporation ("City") and PM AM Corporation ("Contractor"), effective upon execution by the City Manager or the City Manager's designee ("City Manager").

WHEREAS, Contractor has bid to provide security alarm permitting and false alarm management system services in response to Request for Bid/Proposal No. 1428 ("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 security alarm permitting and false alarm management system ("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 60 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 zero additional zero-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.**

    (A) The estimated value of this Agreement is $575,000.00, subject to approved extensions and changes. Contractor shall receive compensation, including authorized reimbursements including reimbursement for any City fees paid by Contractor to the City to permit Contractor to provide the Services hereunder, for all Services rendered under this Agreement at the rates set forth in pricing included in this Agreement as Attachment "B". The compensation is based on a revenue sharing model. In order to facilitate the sharing of revenues as set forth in Attachment "B" hereto. City and Contractor agree that payments by mail must

be sent to the City's designated lockbox for deposit direct into City's bank account. Any payments received by Contractor, either online or by any other method, must be deposited into the City's designated bank account within two business days after receipt.

(B)   The City and Contractor shall share the revenue generated from fees as set forth in Attachment "B."

(C)   Contractor will invoice for and collect the following fees and no others: (1) alarm permit fees as authorized by Chapter 3 ½ of the City's Code of Ordinances; (2) false alarm fees as authorized by Chapter 3 ½ of the City's Code of Ordinances; (3) a $30 fee for any returned items; and (4) a convenience fee in the amount of $1.50 for online payments.

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: Pat Persohn
> Department: Police Department
> Phone: (361) 886-2743
> Email: PatP@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.** Not Applicable.

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 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.

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: Pat Persohn
> Title: Administrative Manager
> Address: 321 John Sartain St, Corpus Christi, TX 78401
> Phone: (361) 886-2743
> Fax: (361) 886-2607
>
> **IF TO CONTRACTOR:**
> PM AM Corporation
> Attn: Pankaj Kumar
> Title: Chief Executive Officer
> Address: 5430 LBJ Freeway, Suite 370, Dallas, TX 75240
> Phone: (972) 831-7404
> Fax: (972) 831-7499

17. *SUBJECT TO THE LIMITATIONS HEREINAFTER SET FORTH, CONTRACTOR SHALL 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 ten days after written notice to the Contractor for failure to pay or provide proof of payment of taxes as set out in this Agreement, unless such failure is cured during the ten-day period.

(C) Contractor's Fee Schedule and pricing for any and all Services to be provided by Contractor to the City under this Agreement have been set, established and agreed to be based upon the current provisions of applicable City ordinances relating to alarms. Should said ordinances change at any time during the term of this Agreement to reduce the applicable fee, fines and charges, then the Contractor reserves the express right to enter into good faith negotiations with the City to modify the Fee Schedule and pricing accordingly. If, within 30 days of

notice from Contractor to the City of its desire to so renegotiate, the parties are unable to reach an agreement mutually acceptable to both parties, then Contractor reserves the right to terminate this Agreement. Said termination shall not be deemed to be a default by Contractor under this Agreement, Contractor shall be paid all fees and costs due and owing Contractor as of the date of said termination.

19. **Effect of Termination**. If this Agreement is terminated as provided herein, the City may require Contractor to provide all finished and/or unfinished data and other information of any kind possessed by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such information within a reasonable period of time of receipt of the request not to exceed 30 days. Specifically, in the event the City shall terminate this Agreement:

    (A) All data relating to alarm permits shall be owned by the City. Upon termination of this Agreement, Contractor shall promptly deliver to the City all data in MS-SQL format.

    (B) Contractor retains all right and title to the Application software, including but not limited to, all publication rights, all development rights, all reproduction rights, and all rights that may follow from the commercial development of the software. The City does not acquire any ownership rights to the Application software. The Software is protected in favor of PM AM, as well as any future registered trademarks, are trademarks of PM AM.

    (C) The proprietary software is considered loaned to the City during the duration of this Agreement as laid out in this Agreement and the City will not have any access to PM AM's proprietary software after the conclusion of the Agreement.

    (D) The City shall pay Contractor all fees and costs due and owing Contractor as of the date of said termination.

    (E) The provisions of this Section shall survive the termination of this Agreement.

20. **Confidentiality of Information.**

    (A) At all times, the Contractor shall recognize the City's sole and exclusive ownership of all information provided by the City, and the sole and exclusive right and jurisdiction of the City to control the use of this information. Similarly, the City recognizes that the proprietary software described in Section 19(C) above is owned by Contractor and the City has no rights or claim thereto.

    (B) Each party agrees that neither it, nor its employees, subsidiaries, subcontractors, or agents shall disclose confidential information of the other party, to any person or to anyone except as necessary to perform its obligations under

this Agreement, without the expressed written permission of the other party or unless required to do so by law. The parties agree that any release of information in accordance with the Texas Public Information Act shall not be considered a violation of this Agreement.

(C) Each party further agrees that in the event that any documents containing confidential information of the other party should be improperly used or removed in any way from the possession or control of the other party by a party, the breaching party shall immediately notify the other party orally and in writing, and shall join with the other party at their request in taking such reasonable steps as the owner of the confidential information may deem advisable to enjoin the misuse and regain possession of such confidential information, or steps otherwise necessary for the protection of the owner's rights and the confidentiality of the information.

21. **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.

22. **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.

23. **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).

24. **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.

25. **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.

26. **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.

27. **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: _____

Printed Name: Pankaj Kumar

Title: Chief Executive Officer

Date: 11/27/2018

CITY OF CORPUS CHRISTI

Signature: _____

Printed Name: _____

Title: _____

Date: _____

APPROVED AS TO LEGAL FORM:

_____

Assistant City Attorney   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. 1428
Exhibit 2:   Contractor's Bid/Proposal Response

Attachment A: Scope of Work

1. **Scope of Work**
   A. Contractor will host and provide a security alarm permitting and false alarm management system and provide administration services. This includes acquiring all relevant and required equipment, licenses and services to ensure system is available and reliable.

   B. Contractor will develop, test and maintain all integration points to City's Computer Aided Design and Geographic Information System for location/address validation as an integral part of maintaining with the City's Code of Ordinances Chapter 3 1/2.

   C. Contractor shall accurately convert all the pertinent data from current systems to populate the security alarm permitting and false alarm management system. Effective interfaces shall ensure that all organizations involved use the most accurate and current information reducing the disruption to City's law enforcement personnel.

2. **Security Alarm Services Requirements**
   Contractor and provider's system shall furnish all appropriate supplies and services including but not limited to:

   A. Provide the City with necessary documentation for appeal hearings.

   B. Store and maintain information pertinent to:
       1. Alarm Permits
       2. Permit Holders
       3. Permit Holders with outstanding charges
       4. Non-Permit Holders with outstanding charges
       5. Permit holders with fee exemptions
       6. Address verification database

   C. Provide bi-directional data transfer between the Contractor's alarm data system and the City's Computer Aided Design.

   D. Contractor shall perform invoicing and collection of payments in accordance with the rates established by the City's Code of Ordinances Chapter 3 1/2 and ensure all rate changes are updated when rate changes are in effect.

   E. System shall be able to maintain the following information:
       1. New alarm permits issued and fee collected

2. Annual Permit renewals invoiced and fees collected
3. Permits revoked and reason for revocation
4. Number of false burglar and panic alarms
5. Number of false burglar and panic alarms invoiced and fee collected
6. False burglar and panic alarms by permit holder
7. False burglar and panic alarms for non-permit holder
8. Permit origination date
9. Permit renewal date
10. Permit revocation date
11. Permit reinstatement date
12. Historical record of each false alarm per permit.

F. Identify:
1. Permit holder
2. Non-permit holder

G. Capture the following information:
1. Permit number
2. Permit issue date
3. Permit expiration date
4. Permit type (commercial/residential)
5. Name of business or residential applicant/holder
6. Permit holders valid state issue ID or driver's license
7. Location:
   - Street location
   - Zip code
   - Type of property (commercial/residential)
   - Telephone numbers
   - Contact persons (minimum of 2) and phone number(s)
   - Type of alarm system installed (burglary, panic, robbery)
8. Invoicing:
   - Permit holder name
   - Full mailing address with zip code
   - Contact person and phone number(s)
   - History of Incidents in the past 12 months from the current invoice date
   - History of unpaid invoices
9. Permit Holder Responsible for Alarm
   - Name
   - Date of birth
   - Complete mailing address
   - Phone numbers
   - On-site emergency contact numbers

10. Name and telephone number of alarm monitoring company
11. Name and telephone number of company that installed the alarm system
12. Special medical concerns/disabilities of permit holder
13. On premises pet information

H. Perform address validation against City's Computer Aided Design/Risk Management Solutions database.

I. Maintain an alarm company master file which includes:
   1. Assigned code number
   2. Name, address, and telephone number of business
   3. Manager's name, and telephone number

J. Automatically generate a unique permit number.

K. Maintain reasons for denial of issuance of permit, including:
   1. Permit Application incomplete, misleading, false
   2. Applicant has unpaid security alarm related fee owed to the City
   3. Alarm system install is unreliable

L. Generate renewal notices and second renewal notices automatically within specified periods.

M. Generate revocation notices based upon City's Code of Ordinances Chapter 3 1/2.

N. Generate notice to alarm users without permits.

O. Maintain historical information on permit issuance, renewal, suspension and reinstatement on each property.

P. Maintain current permit status information.

Q. Maintain incident count of alarms, their disposition and information on each permit.

R. Cross-reference capabilities between permit holder names and properties.

S. Search on permit holder and business name.

T. Download and print permits, blank application forms with mail-in information from the web portal.

U. Archive inactive permits based on the City's data retention policy.

V. Maintain a table of incident criteria
- Permit Holder – telephone number
- Non-permit Holder
- Number of false alarms before 1st suspension (permit holder only)

W. Interface with City's CAD in the following capacity:
1. Transfer on-line/on-demand entire registration database from proposed Service Provider's system to City's CAD including the following:
    a. Permit number (or non-permit identifier)
    b. Name
    c. Location
    d. Permit status
    e. Expiration date
    f. Last incident date and time
    g. Alarm type
    h. False alarm incident count
    i. Beat information

2. Transfer on-line/on-demand incident reports from City's CAD to Service Providers system including:
    a. Incident number
    b. Priority
    c. Call code
    d. Disposition
    e. Date
    f. Time
        - Received
        - Dispatched
        - Arrived
        - Alarm Cleared
    g. Remarks
    h. Site name and location
    i. Reporter's name, address, phone number
    j. Dispatcher – employee number and terminal
    k. Phone clerk – employee number and terminal
    l. Cleared code and disposition
    m. Officer number
    n. Unit(s) assigned

3. Capture and provide all transactions and relevant confirmation, reconciliation of data on daily basis for auditing purpose.

X. Make adjustments/corrections on fees at the request of the City, accounting errors and/or appeal hearings.

Y. Generate incidents manually for account.

Z. Issue notice(s) to permit holders with excessive false alarms.

AA. Issue notice(s) to non-permit holders with false alarms.

BB. Archive historical data.

CC. Accept/establish temporary account numbers for non-permit holders who have incurred false alarm charges.

DD. Transfer temporary account number charges to a permanent account (permit) number.

EE. Process permit applications, issue permit and notify the customer of the application outcome within one business day.

FF. Revoke permits according to City's Code of Ordinances Chapter 3 1/2.

3. Report Requirements
The system shall generate the following reports including but not limited to:

A. New alarm permits issued and fees collected by type of property (commercial/residential).

B. Annual permit renewals invoiced and fees collected.

C. Permits revoked and reason for revocation.

D. Permits reactivated and reason for reactivation.

E. Number of false burglar alarms.

F. Number of false burglar alarms invoiced and fees collected.

G. Listing of Permits by beat.

H. False alarms by permit holder.

I. False alarms by non-permit holder.

J. Revocation report by permit holder after eight false alarms at the same location.

K. Revocation report by permit holder for outstanding fee at the same location.

L. Exception listing of permits/non-permits which has exceeded established limitations.

M. Listing of permits by:
   1. Alarm company
   2. Permit number
   3. Site address
   4. Business/owner name
   5. Police reporting district

N. Listing of permit counts in all categories.

O. Listing of outstanding charges by permit.

P. Monthly Alarm company roster.

Q. An incident exception report generated during daily incident update process City's CAD.

R. Daily and monthly activity reports including:
   1. New permits
   2. Renewal notices
   3. Second notices
   4. Account invoicing
   5. Incidents processed

S. Monthly AR report (Excel, Access, or Adobe) format:
   1. Amount invoiced by call signal
   2. Amount collected by permit type and call signal

T. Fiscal year (Oct-Sept) Accounts Receivable aging report by permit type.

U. Ability to provide reports in both alpha and permit/account number order.

V. Additional on-demand reports as required by City.

4. **Financial and Collection Requirements**

   A. Contractor shall comply with the Fair Debt Collection Practices Act and all other state and federal laws.

   B. Contractor shall comply with the Federal Trade Commissions' Red Flag Rules, which implement Section 114 of the Fair and Accurate Credit Transactions Act of 2003, as amended.

   C. Contractor shall comply with PCI (Payment Card Industry) for all credit card transactions.

   D. City will open a lock box, all payments will be received at the City lock box, the bank will provide transmission file to the Contractor for processing the payments, all bank fees shall be paid by the City. Contractor will make all collections related to security alarm permits and false alarm fees and deposit the collected revenue in a designated City account. Payments received by mail will be sent to the City's designated lockbox for processing and deposit directly into City's account. Contractor must deposit all other payments collected by any method into City's designated account within two business days following receipt of payment.

   E. At the start of each month Contractor will reconcile the City's bank account for the previous month and provide Contract Administrator with an invoice showing the fee calculation and supportive bank reconciliation. Once invoice is approved by the Contract Administrator, <u>bank will be authorized to issue transfer (e.g. ACH transfers) to Contractor for the proposed revenue shared amount.</u>

   F. The Contractor must have a functional system to serve as the invoicing and collections agent and accounts receivable (A/R) manager for the City for security alarm permitting and false alarm management service.

   G. Invoice content and other correspondence will provide instructions directing the customer to call a Contractor maintained and staffed phone number to answer questions about permits, invoices and other false alarm system matters. Questions concerning the validity of any response or action taken by an employee(s) of CCPD regarding a specified alarm call will be directed to a representative of CCPD, as designated by Contract Administrator.

   H. Format of all invoices and correspondence shall be approved by the Contract Administrator.

   I. Invoice format will provide stub or appropriate remittance form to accompany payment.

J. Contractor shall be able to utilize multiple techniques for collections.

K. Contractor shall keep detailed A/R to be reviewed by City at any time.

L. Contractor will provide the ability for customer to apply and obtain permits by mail or online; and ability to pay fee online, by phone or by mail. A convenience fee of $1.50 may be charged for payments made online.

M. Payments made by mail will be directed to City's designated lockbox maintained and managed by City. Contractor must send all other payments collected by any method into City's designated account within two business days following receipt of payment.

N. Contractor will be responsible for handling bad checks and stop payment situations.

O. Contractor must have the ability to generate invoicing for alarm charges which includes the following information:

Summary information:
1. Previous/past due amounts
2. New charges
3. Payments
4. Adjustments
5. New balance due

Detail information:
1. Type of incident
2. Date of incident
3. Time received
4. Reason/description
5. Charges, if applicable

P. Contractor must have the ability to show all incidents and their associated charges during the current invoicing period.

Q. Contractor must have the ability to provide itemized balance forward capabilities on invoicing.

R. Contractor must have the ability to invoice miscellaneous charges (i.e. returned item fees)

S. Contract Administrator should get access to the point-of-sale system to view citizen's transactions as they occur.

5. Technical Requirements

A. Contractor shall provide production server hardware and software environment capable of supporting operations and transaction volumes. This environment shall be capable of sustaining 99.999% uptime.

B. The Contractor will backup City's data one time daily. The Contractor will ensure that updated copies of City's data, software, and files are available in the event of a hardware failure or any other local issue affecting the accessibility of City's data, software, and/or files. The Contractor will use, at a minimum, industry standard encryption techniques for transmission of data (ssl/https), one-way encryption of passwords (sha1), and encryption of offsite backups (gzip/gpg).

C. System shall be behind a firewall on isolated network and all login activities shall be logged.

D. System accounts should be provisioned in accordance with Segregation of Duties.

E. Contractor should use Secure Sockets Layer (SSL) Certificate providing secure encrypted communication between client browsers. This security is also enforced to server's Payment Gateway.

F. Permit Holder information should be encrypted.

G. Contractor shall maintain, manage and be in compliance with all hardware and software licenses and/or security patches required for the application.

H. Contractor shall provide access to a Test server hardware and software environment configured in accordance with the production environment and be able to verify modifications and enhancements prior to their introduction into the production environment.

I. Contractor shall perform testing of the configured solution prior to taking System into production. The purpose of this testing will be to confirm the integration of all components, assess the configuration, and identify issues to be resolved. Testing shall include Integration Testing of all integration points and interfaces.

J. User Acceptance Testing shall be conducted by the City with the Contractor's assistance.

K. Contractor shall provide technical support to end users during normal business hours. Technical Support is defined as actions required to address "System Outage" issues and outages where all or part of the service is inaccessible. Contractor shall provide a phone number to access technical support from qualified technical support personnel in the event that system down errors or host outages occur.

L. In an event of "System Outage", Contractor shall notify Contract Administrator within 10 minutes of the issue occurrence.

M. Contractor shall notify the City of any scheduled or unscheduled maintenance that is expected to make the hosted services unavailable. Such notifications shall be sent via e-mail to the designated Contract Administrator no less than one calendar week before the planned event. With rare exception, scheduled maintenance shall be performed on weekends (Saturday through Sunday) during the evening and/or early morning hours.

N. Contractor shall communicate any/all known inaccuracies in the City's data caused by an outage or system failure and shall work to correct any inaccuracies within a reasonable period of time.

O. Contractor shall provide electronic versions of all Hardware and Software technical documentation. This documentation should include, the following:
   1. Integration programming specifications
   2. Customization specifications
   3. Interface specifications
   4. Backup and recovery procedures

P. Contractor's online system would be linked to City of Corpus Christi website and application URL should be masked to indicate City of Corpus Christi.

Q. Upon termination, or at the end of the contract period, the Contractor must turn over all records, files, database and related project information and materials to the City within 90 days.

R. Contractor will be required to provide the City all invoices, revenue transactions and alarm data for auditing purposes when requested by City within one business day. Any planed auditing activities relevant to hosted solution shall be communicated to Contractor in advance.

6. Training Requirements
Contractor shall provide training for City employees. Training shall be conducted in several sessions on an as needed basis.

Attachment C: 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 Director of Facilities & Property Management 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
30-day advance written notice of cancellation, non-renewal, material change or termination required on all certificates and policies.	**Bodily Injury and Property Damage** 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 B of this Attachment. $500,000/$500,000/$500,000

CRIME/EMPLOYEE DISHONESTY	$1,000,000 Per Occurrence
	$1,000,000 Aggregate
Contractor shall name the City of Corpus Christi, Texas as Loss Payee	
CYBER LIABILITY	$1,000,000 Per Occurrence
	$1,000,000 Aggregate

3. 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.

B. <u>ADDITIONAL REQUIREMENTS</u>

1. 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.

2. 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.

3. 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

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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
Security Alarm Permitting and False Alarm Management
01/18/2018 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.