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NOTICE TO BIDDERS

March 29, 2017

Request for Proposal: RFP #17-01

Notice is hereby given that the City of Escondido, hereinafter referred to as "City," is seeking proposals from interested and qualified vendors for Professional Services for Online Payment Solutions for Utility Accounts.

Bidders shall sign and return one (1) original bid packet and four (4) printed copies for the City's evaluating team to review. Proposals shall be in a sealed envelope or package clearly labeled "**Request for Proposal #17-01, Online Payment Solutions for Utility Accounts**". Proposals shall be mailed or hand delivered to the City of Escondido, Purchasing Department, 201 N. Broadway, Escondido, CA 92025, on or before the closing date and time. **Any proposals received after the closing date and time will be returned unopened to the bidder.**

Closing Date and Time: April 28, 2017 5:00 p.m.

No Public Opening:

There will be no public opening of the proposals. Proposals will be treated as confidential until the contract is awarded or recommended for award.

Bidders should thoroughly review this solicitation for defects and questionable or objectionable material. Questions or comments concerning this RFP must be submitted solely via e-mail to Christina Holmes, Project Manager at cholmes@escondido.org no later than 5:00 p.m. on April 12, 2017. Emails must be clearly referenced as **RFP #17-01, Online Payment Services for Utility Accounts**. Any questions or comments received after April 12, 2017 will be disregarded. A summary of questions from prospective bidders and City responses will be posted by RFP number on the City's website at www.escondido.org by 5:00 p.m. on April 19, 2017.

Each proposal shall be in accordance with specifications, instructions, and information contained in this proposal package. The City reserves the right to accept or reject any or all proposals for any reason it deems necessary and to waive defects or irregularities in any proposal at its sole discretion. This Request for Proposal does not commit the City of Escondido to award a contract or to pay any costs incurred in the preparation of a response to this request.

Sincerely,

Christina Holmes
Revenue Manager

Sam Abed, Mayor

Michael Morasco, Deputy Mayor

Olga Diaz

Ed Gallo

John Masson



CITY OF ESCONDIDO
REQUEST FOR PROPOSALS
FOR
ONLINE PAYMENT SERVICES FOR UTILITY ACCOUNTS

REQUEST FOR PROPOSAL #17-01

INTRODUCTION

The City of Escondido is seeking services for secure web based electronic presentment and electronic payment of utility bills that is innovative, customer friendly, efficient and cost effective. The City's objective is to provide its utility customers convenient options to pay utility bills at any time. Offering utility customers web services for viewing and payment of their utility bill.

The City intends to award a contract for a period of three (3) years to a firm that will meet the City's qualification criteria. Upon satisfactory performance by the contractor and mutual agreement of both parties, the City may renew the contract for three (3) additional one-year periods. The successful firm will be required to enter into a contract with the City for the services requested in this RFP within a reasonable time after award. The vendor submitting a proposal must be prepared to use the City's standard contract form rather than its own contract form, a Sample Professional Service Agreement is attached as "Exhibit A."

BACKGROUND

The City of Escondido is located in north San Diego County, approximately 30 miles north of the City of San Diego, California. Escondido is an established community incorporated on October 8, 1888 under the general laws of the State of California. The City's current population is 145,900.

Utility Billing, which is a division of the Finance Department, is responsible for performing all accounting functions related to water, wastewater, and trash billing. There are currently 10 full-time and 1 part-time staff members responsible for Utility Billing functions.

Presently, approximately 29,800 accounts are maintained through this office, with each of these accounts assigned to one of six billing cycles. The accounts are billed as follows:

- Cycle 1** – Billed on the 1st of every month
- Cycle 3** – Billed on the 15th of every even-numbered month (February, April, June, August, October & December). This cycle bills our non-water accounts.
- Cycle 51** – Billed on the 4th of each month
- Cycle 52** – Billed on the 11th of each month
- Cycle 54** – Billed on the 18th of each month
- Cycle 55** – Billed on the 25th of each month

Meters are read five days per week and utility bills are produced and mailed through the United States Postal Service weekly. Meter reading, billing and shut offs for non-payment are accomplished on a master calendar that is maintained inside the billing system; Oracles Customer Care and Billing Version 2.5.

The City outsources its customer bill printing and mailing service, the vendor receives a PostScript Level 2 file containing formatted copies of all customer bills each week. The vendor runs the PostScript file through some programmatic preprocessing system (adding postal barcodes, for instance), then prints and mails the bills. They also provide the City with PDF images of each bill, that we can download to allow customers to look up through a customized interface on our web page.

The City currently has a payment website for utility billing customers provided by Velocity Payment System by Govolution LLC through the City's banking contract with Bank of America. Bank of America is also the merchant provider for all credit card transactions.

The website accepts credit cards (MasterCard / Visa / Discover) and Auto Clearing House payments. An average of 8,000 credit cards and ACH transactions are processed per month.

The Velocity Payment System also provides an Interactive Voice Response (IVR) system for accepting payments over the phone. Approximately 1,500 IVR transactions are processed each month.

The City staff handles all payments received through the mail, in a City Hall drop box, and payments received over the counter at City Hall.

TIMELINE FOR RFP

The following timeline is the City's best estimate of the project implementation and is not binding on the City.

RFP released	March 29, 2017
Questions submitted via email to the city	April 12, 2017
City answers all questions submitted	April 19, 2017
Proposals due date	April 28, 2017
Consultant Demonstrations as Needed	TBD
Contract Approval by City Council	June 7, 2017
Project Implementation	TBD

SCOPE OF WORK

The services the City is requesting include, but are not limited to, electronic bill payment options, payment by phone, online bill presentation, electronic notification of bill, and online payment history. The Contractor shall provide the City a standalone website for the City's utility customers to view and pay their utility bills. It shall be a web based solution hosted by the Contractor in compliance with all applicable laws.

Bidders must be able to demonstrate a proven ability to provide the following:

1. Be a company with at least five (5) years' experience processing credit card payment records transmitted for processing and settlement from major credit/debit card processing networks.
2. Be compliant with all Payment Card Industry (PCI) security standards as established by the Payment Card Industry Standards Council. A copy of the PCI Attestation of Compliance (AoC) is required to be submitted as part of the RFP response.
3. Supports all major credit cards.
4. Provide payment, settlement and refunding services.
5. All cardholder data is the responsibility of the vendor, and vendor retains all liability. The vendor must have the ability to interface with the City's existing bill print files, or have the ability to reproduce the bill image in its current form for customers to access online.

6. No credit card or cardholder information shall enter the City's network environment.
7. Provide online daily transaction and account reconciliation reports.
8. Payment gateway should be available in English and Spanish.
9. Online Automated Clearing House (ACH) returns and credit card chargeback reporting.
10. Transactions shall be deposited within 24 to 36 hours into specified City bank accounts by Merchant ID.
11. Offer transaction integrity checking to reduce the risk of double payment.
12. The ability to support a transaction or convenience fee.
13. Once the website is live, the City can select or change processors, add or remove financial institutions without any loss of time or investment in prior implementation efforts.
14. The vendor must provide unlimited customer support during the hours of 7:30 am – 5:30 pm PST
15. Routine technical support must be available during business hours
16. Payment gateway system must have an uptime of 99% or better (downtime average of 7.2 hours per month or fewer), and a comprehensive and fully tested disaster recovery plan.

CONTRACT PRICE

The City requires fixed pricing for the first three (3) years of the contract. If the vendor intends to revise its fee schedule after the initial 3-year period, changes must be made on the anniversary date of the contract and only upon written notice provided at least (180) days prior to the fee change. Fee increases may not, under any circumstances, exceed three percent (3%) of the original contract price. No retroactive contract price adjustments will be allowed.

PROPOSAL REQUIREMENTS

The vendor shall be responsible for preparing an effective, clear, and concise proposal.

Proposals shall contain the following information:

- A. A cover letter introducing the company and the individual who will be the contact person. This letter shall briefly state the vendor's understanding of the work to be performed, and a statement why the company is the best qualified to perform this contract.
- B. The vendor shall provide only qualified personnel with the experience necessary to perform this contract. The proposal shall identify the personnel that will be assigned to this contract and their qualifications. Indicate the types of active certifications and licenses possessed by the company and by the specific staff to be assigned to the project.
- C. Bidder must provide a written statement of the services proposed as well as an implementation plan. Bidder shall provide all specifications for all equipment proposed.
- D. Provide a narrative description of the project proposal, based on the scope of services presented in the RFP. Include any issues that you believe will require special consideration for this project. Also identify any unique approaches or strengths your firm may have related to this project. City staff will assess your understanding of all aspects of the project based on the overview.

E. Respond to all requirements defined in the scope of services. If any of the requirements cannot be supported, provide a recommendation for an alternative approach. Include the steps needed to complete all tasks and any recommended additions to the list of tasks. Also document assumptions used in development of the work tasks, including assistance needed from City staff, and required hardware and software.

F. The responses to this RFP shall address the following items:

Background and Experience

- Describe your firm's experience in providing similar processing services for other governmental agencies comparable to City of Escondido.
- Provide specific qualifications regarding your company's experience with similar projects, include at least three clients similar to the City. Provide an overview of the services in use and contact information for each client. A list of the three public agencies listed shall be attached to the proposal, including the client names, contact persons, phone numbers and email addresses.
- How many years have you provided these services? How many clients do you currently have?
- Please list all sister companies, joint ventures, 3rd party dependencies, outsourcing or subcontracting that will be involved in creating and delivering your solution including business/financial and technical contacts for each organization.
- Describe any unique characteristics of your company and services that will provide us with superior customer service.
- What other service does your company offer that may be beneficial for future consideration that may not fit the requirements described within the context of this RFP?
- Is there any pending legal action against your company? If yes, please describe.

Technical Requirements

- Please provide unique features of your payment-processing services, systems, and technologies.
- Is your payment website responsive design and mobile-first? If not, do you automatically redirect mobile users to a site optimized for their device?
- Is your payment website security verified against the OWASP top ten vulnerabilities list (https://www.owasp.org/index.php/Top_10_2013-Top_10)? Do you mitigate against vulnerabilities not on that list? If so, please describe.
- Please describe how customer passwords are stored (e.g. "salted and hashed using the Argon2 algorithm").
- Do you offer a true 2-factor authentication option for customers (hardware token, Google Authenticator, etc. [NOT "security" questions])?
- Please describe in detail the technical processes underlying your "forgot password" link, and list the steps a user takes during the process.
- Can customer balances and payments be exchanged with us via batch processing of text files? What is the exchange mechanism (e.g. SFTP site hosted by you)? If so, please describe how failures are detected and communicated, and what the recovery process is.

- Can balance and payment data be exchanged live via web services? For example, can you retrieve a customer's currently owed balance via a web service call before presenting it to the customer, and write the customer's payment details to a web service after the payment is validated? If so, please describe how failures are detected and communicated, and what the recovery process is.
- What types of customer information are we able to download on a regular basis? For example:
 - a. All account numbers currently signed up for automatic monthly bill payment
 - b. All account numbers who have opted out of receiving a paper bill (if you offer this service)
- Please describe the functions that our personnel will be able to perform within the administrative area of your site.
- Please list any types of data that customers enter and maintain about themselves that will NOT be visible and/or changeable by our admin personnel.
- Please describe the method for customizing the customer-facing payment site. Can any portions of the customer-facing payment site be customized by our personnel (e.g. changing a description block, changing a link, changing a field's description, etc.)?
- What specific hardware or software must be purchased in conjunction with your proposed solution? If applicable, please explain and specify the cost(s) and model number(s).
- Describe the trouble management process functions including: problem reporting, assignment, escalation, resolution.
- Provide procedures for after-hours support.

Customer Experience

- Is the Web interface configurable? Please provide a sample screenshot.
- What flexibility do we have to customize the look and feel of the pages to meet our branding requirements and preferences?
- What additional functionality do you provide to speed the payment process and enhance the user experience?
- When can a first-time user make a payment on your service? Please specifically address weekends and holidays.
- Will a customer be required to create an account in order to make a payment (i.e., create a username and password)? Is there an option to make a payment without enrolling?
- How often are customers required to change their log in password?
- How does your system accommodate a customer interested in future dating their payment(s)?
- How does your solution present bill data such as due dates and amount due to consumers?
- What do you offer for outbound payment reminders/alerts? How are these alerts delivered?

Payments

- What payment types do you support (e.g., on-demand, scheduled, recurring, prepaid)?
- Describe your controls as well as the integration of our rules to support the blocking of specific users.
- How does your service allow us to update the blocking of specific users or payment types without your intervention?
- How does your solution identify and eliminate duplicate transactions?
- Describe how your solution supports multiple accounts paid as part of a single transaction or as separate transactions? Are there limitations to the number of accounts that a user can view and pay as part of this feature?
- Can your solution be configured so that customers can make intentional overpayments? Can they make a payment even when they have no balance or a credit balance owed?

City Staff Experience

- Does your company have the ability to demonstrate your solution in a live, preproduction environment using data provided by us?
- Does the system have a testing and training environment for City staff?
- Will training be provided to staff after implementation? Describe in detail.
- How are client-requested changes handled? What is the timeframe from request to having the change live in production?
- Do you offer a solution for our Customer Service Representatives (CSR) to accept and research payments? Is this a single tool that covers all payment channels and payment methods? Please provide a detailed response.
- Can a CSR enroll customers on their behalf into the platform from the agent tool during a call?
- How are returned items handled and communicated back to the City?
- Can your system be configured to prevent City staff from taking credit card payments on the customer's behalf, or only processing payments using a method previously stored by the customer?
- Describe technical support capabilities, available hours, how the issues are tracked, and the escalation process. What software tool is used for this process?
- Please describe any support services or tools that your service has to assist with exception handling and treasury functions.

Interactive Voice Response System (IVR)

- Can the IVR user interface be customized for our identity? Can the call flow be customized?
- Do you support an opt-out link back to our call center from your hosted IVR?
- What languages do you support on your IVR?

- Describe the method(s) to exchange data between your IVR solution and ours (e.g., sending account information).

Billing Options

- Do you have the capability to become our sole billing provider? This would entail at least the following:
 - Allow customers to opt-out of a paper bill (offering emailed bills, or text messages, for instance).
 - Accept upload of a PostScript file containing formatted customer bills on a regular (currently weekly) basis, and from this file:
 - Print and mail bills to those who should receive a paper bill
 - Save each bill image for electronic presentment
 - Email an electronic copy of the customer's bill
 - Send a text message to customers with balance owed and due date
- Describe your electronic billing solution and capabilities.
- What file or data formats does your solution accept as inputs for electronic billing?
- Does the solution allow customers to view previous bills? How much billing history will our customers be able to see?
- What bill output/download options are offered by your service (HTML, XML, Excel, Text, PDF, etc.)?
- How will your proposed solution address information traditionally provided as bill inserts?
- How does your solution accommodate links to our home page, customer service, biller FAQs, etc.?
- Please describe all the channels in which your solutions can leverage e-bills for viewing and payment. (e.g., Web, on-demand, mobile etc.)
- Describe any next generation features specific to your e-bill presentment solution.
- Describe the process for consumers requesting e-Billing.
- What alerts and/or communications are sent to the customer using your e-Billing service?
- When is the bill available to be viewed by the consumer and how long will it be available for them to view?

CONTRACTOR SELECTION PROCESS

Proposals will be analyzed and the award made to the most responsive and responsible bidder whose proposal conforms to the solicitation and whose proposal is considered to be most advantageous to the City. The following evaluation factors will also be considered when reviewing the proposals:

Evaluation Criteria	Points
Functionality and capabilities of the system and services; usability, accessibility and interactivity of the system for customers	25
Demonstrated understanding of the service requested	20
Demonstrated experience in performing similar work and qualifications of the firm and assigned individuals	20
Project plan to fulfill the service required; work/time of integration with the Utility Billing system	20
Fees charged, overall price	10
Feedback from references regarding qualifications to succeed on this project	5

The City will act as the sole judge of the merit and qualifications of the materials and services offered and accept whatever proposal is deemed to be in the best interest of the City. The award of the contract will be all or nothing to one bidder.

1. The city reserves the right to:
 - a. Reject any or all submittals;
 - b. Request clarification of any submitted information;
 - c. Waive any informalities or irregularities in any proposal;
 - d. Not enter into any contract;
 - f. Cancel this process at any time;
 - g. Amend this process at any time;
 - h. Enter into negotiations with one or more firms
 - i. Issue similar solicitations in the future; or request additional information from prospective contractors.

Prior to contract award, the City may require bidders to demonstrate its solution to the selection committee at no cost to the City.

GENERAL TERMS AND CONDITIONS

1. Public Information

The City reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the company of the conditions contained in the Request for Proposal, unless clearly and specifically noted in the document submitted and confirmed in contract between the City and the company selected.

2. Request for Proposal Provisions

The City reserves the right to amend, alter, or revoke this Request for Proposal at or before the due date and time of proposal. Any modifications, clarification, or additions will be distributed via email as an addendum.

3. Proposal Preparation Cost

There is no express or implied obligation for the City to reimburse responding companies for any expenses incurred in preparing proposals in response to this Request for Proposal.

4. Withdrawal of Proposal

Bidders may modify or withdraw their proposal, either personally or by written request, at any time prior to the scheduled closing time of proposals. Such requests should be directed to the Purchasing Supervisor.

5. Inaccuracies or Misinterpretations

If, in the course of the Request for Proposal process or in the administration of a resulting contract, the City determines that a bidder has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the City, bidder may be terminated from the Request for Proposal process or in the event a contract has been awarded, the contract may be immediately terminated.

6. References

All bidders must provide a list of at least three (3) references for which bidders provided similar services and software. Bidder shall list the company name, address, phone number, contact person, and any additional applicable information about the company.

7. Warranty

All hardware equipment warranties must not be less than one (1) year from the date of satisfactory installation for all equipment.

8. Optional Features

Bidders may elect to provide recommendations and pricing for optional features, if deemed beneficial to the City. Pricing for optional features must NOT be included in the minimum requirements pricing.

9. Business License

The successful bidder shall be required to obtain a City of Escondido Business License prior to the award of the contract.

10. Signature

All proposals must be signed in the name of the bidder and must bear the original signature in longhand of the persons duly authorized to sign the proposal. Obligations assumed by such signature must be fulfilled.

11. Attorney Fees

In the event that the City should prevail in any litigation brought by either party, to enforce any provisions of this proposal, bidder shall pay to the City the cost and attorney fees incurred pursuant to said litigation.

12. Right to Reject Proposal

The City reserves the right to reject any or all proposals, to waive any non-material irregularities or information in any proposal, and to accept or reject any items or combination of items. The City is not obligated to explain any deficiencies in their proposal, nor accept requests for justification from bidders not selected. All proposals submitted become property of the City.

13. Right to Conduct Personal Interviews

The City reserves the right to conduct personal interviews or require oral presentations of any or all bidders prior to selection.

14. Right to Request Additional Information

The bidder shall furnish additional information as the City may reasonably require. The City reserves the right to make investigation of the qualifications of the bidder as it deems appropriate.

15. Understanding the Services to be Performed

By submitting a proposal, the bidder certifies that he/she has fully read and understands the Request for Proposal and has full knowledge of the scope, nature, quantity and quality of service to be performed.

16. Contract

The prices provided in the response to the Request for Proposal shall remain firm for one hundred and twenty (120) days. All orders issued against this proposal shall be delivered and invoiced at the fixed cost or less due to decrease in the market for the term of this contract. If the successful bidder does not execute a contract with the City within forty-five (45) days after notification of award, the City may give notice to the successful bidder of the City's intent to select from the remaining bidders or to call for new proposals, whichever the City deems appropriate.

17. Termination for Default

- a) The City may, by written notice of default to the successful bidder (subject to the provisions of paragraph (c) below) terminate the whole or any part of this contract in any one of the two following circumstances:
 - 1) If the successful bidder fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or
 - 2) If the successful bidder fails to perform any of the other provisions of this contract or so fails to make progress to endanger performance of this contract in accordance with its terms and in either of these two circumstances does not cure such failure within a period of ten (10) business days after receipt of notice from the Purchasing Supervisor specifying such failure.
- b) In the event the City terminates this contract in whole or in part, as in paragraph (a) of this clause, the City may procure, upon such terms and in such manner as the Purchasing Supervisor may deem appropriate, supplies and services similar to those so terminated and the bidder shall be liable to the City for any excess costs for such similar supplies or services provided that the successful bidder shall continue the performance of this contract to the extent not terminated under the provisions of this clause.
- c) The successful bidder shall not be liable for any excess costs, if the failure to perform the contract arises out of causes beyond the control and without the fault or negligence of the successful bidder. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the City in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restriction,

strikes, freight embargoes, and unusually severe weather; but in every case the failure to perform must be beyond the control and without the fault or negligence of the successful bidder.

- d) If after notice of termination of this contract under the provisions of this clause is determined by any reason that the bidder was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of the bidder shall be the same as if notice of termination for convenience had been issued pursuant to such clause.
- e) The City reserves the right to terminate for convenience, and cancel the contract at any time with thirty (30) days prior written notice of its intent to terminate. This termination does not include any leases that are in place at the time of cancellation.

18. Assignment of Contract

The successful bidder shall not assign or transfer by operation of law or otherwise any or all of its rights, burdens, duties or obligations without the consent of the City and of his sureties, if any. All payments made pursuant to this contract shall only be made payable to successful bidder.

19. Indemnification

Each party shall indemnify and hold harmless the other parties and their officers, employees, directors, shareholders, subsidiaries, contractors and/or agents from and against all suits, actions, losses, damages, claims, or liability of any character type, or description including, but not limited to all expenses of litigation, court costs, penalties.

20. Insurance Requirements

The successful bidder shall secure and maintain at its own cost, for all operations, the following insurance coverage, unless reduced by the City Attorney

- (1) General liability insurance. Occurrence basis with minimum limits of \$1,000,000 each occurrence, \$2,000,000 General Aggregate, and \$1,000,000 Products/Completed Operations Aggregate; and
 - (2) Automobile liability insurance of \$1,000,000 combined single-limit per accident for bodily injury and property damage, unless waived as provided in 7(b) below; and
 - (3) Workers' compensation and employer's liability insurance as required by the California Labor Code, as amended, or certificate of sole proprietorship; and
- A. It is the parties' understanding that the use of a motor vehicle is not a primary subject of this Agreement. Bidder acknowledges that operating a motor vehicle is outside the scope of this Agreement and occurs only at the convenience of Bidder. A waiver of automobile liability insurance is only effective if both sets of initials appear below, otherwise such insurance is required.

Acknowledged by Bidder _____

Waiver appropriate by CITY _____

- B. Each insurance policy required above must be acceptable to the City Attorney.
 - (1) Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A- rated, class V carrier or better, admitted in California, or if non-admitted, a company that is

not on the Department of Insurance list of unacceptable carriers.

- (2) All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.

- (3) Both the General Liability and the Automobile Liability policies must name the CITY specifically as an additional insured under the policy on a separate endorsement page. The endorsement must be ISO Form CG2010 11/85 edition or its equivalent for General Liability endorsements and CA 20-01 for Automobile Liability endorsements.

- (4) The General Liability policy must include coverage for bodily injury and property damage arising from Bidder's work, including its on-going operations and products-completed operations hazard.

- (5) The General Liability policy must be primary and noncontributory and any insurance maintained by CITY is excess.

C. In executing the Agreement, Bidder agrees to have completed insurance documents on file with the CITY within fourteen (14) days after the date execution. Failure to comply with insurance requirements under this Agreement will be a material breach of this Agreement, resulting in immediate termination at CITY's option.

21. Proof of Insurance

The successful bidder shall immediately furnish certificates of insurance to the Escondido Finance Department administering the contract evidencing the insurance coverage, including the endorsements above required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the City. The successful bidder shall maintain such insurance from the time the successful bidder commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this contract, the successful bidder shall furnish certified copies of the policies and all endorsements.

22. Public Services Agreement

The City will provide two (2) complete sets of the Public Services Agreement to the successful bidder. Both sets must be executed and returned to the City of Escondido. Services may not commence until the Public Service Agreement is executed.

23. Public Agency Clause

It is intended that other public agencies (e.g., city districts, public authorities, municipal utilities, public school districts and other political subdivisions or public corporations of California) shall have the option to participate in any award made as a result of this solicitation. The City of Escondido shall incur no financial responsibility for their order placement and payments to the vendor. This option shall not be considered in bid evaluation. State whether said option is granted:

_____ YES

_____ NO

SPECIAL INSTRUCTIONS

- A. All proposals should be final and must include shipping cost if any. No additional freight will be allowed.
- B. All equipment must be installed and operational within the timelines agreed upon by both parties. On-site support is mandatory during the transition phase of this project.
- C. Implementation of this application will take place within forty-five (45) days of purchase order issuance and after the Public Services Agreement is executed.
- D. The City further reserves the right not to purchase all items and/or quantities listed in the proposal documents. The specifications provided are estimates of the City's requirements at the time of publication and may be adjusted to meet the actual needs when determined.
- E. THE SUCCESSFUL BIDDER SHALL BE AN INDEPENDENT CONTRACTOR while engaged in carrying out the terms and conditions of the purchase order and will NOT be considered an officer or agent of the City. The successful bidder shall maintain adequate insurance to protect his interest during term of the contract.
- F. THE SUCCESSFUL BIDDERS SHALL COMPLY WITH ALL EQUAL EMPLOYMENT OPPORTUNITY PROVISIONS of federal, state and local non-discrimination laws, orders, regulations and guidelines as may be applicable to the vendor and be in effect during the performance of the contract. The successful bidder shall certify that he is an Equal Opportunity Employer and has made a good faith effort to improve minority employment and agrees to meet federal and state guidelines. No discrimination shall be made in the employment of persons upon public projects because of the sex, race, color, national origin or ancestry, religion, or handicap of such persons.

NON-COLLUSION AFFIDAVIT
MUST BE EXECUTED BY BIDDER AND SUBMITTED WITH PROPOSAL

(Public Contract Code Section 7106)

The undersigned declares:

I am the _____ of _____, the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on _____, at _____, ____.

Signature

Title _____

Of _____

Signature

Title _____

Of _____

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
JEFFREY R. EPP, City Attorney

By: _____

PRICING SECTION

This Request for Proposal includes but is not limited to providing all the necessary, software, hardware, training, engineering, installation, implementation, and annual maintenance and support renewals. In addition to completing the Pricing Section, Bidders may attach their own pricing proposal to better describe or explain each item.

Provide a total cost proposal for all products and services to be delivered/offered, and a breakdown of costs delineated by tasks as described in your project plan. Include a schedule of hourly rates for all proposed staff and the amount of time each person will be devoted to this project. Include ongoing maintenance costs.

1. Bidders shall provide product name and description of all software, hardware, and other miscellaneous equipment, based on the following criteria (taxable):

Pricing Software and Hosting	
Provide a detailed price list for all costs, including any optional costs, to <u>implement</u> on-line payment functionality as described in your response to business requirements	\$
Provide a detailed price list for <u>on-going</u> costs, including optional items, of providing on-line payment processing services as described in your response to business requirements	\$
Provide a detailed price list for all costs, including any optional costs, to <u>implement</u> payment by telephone functionality as described in your response to business requirements.	\$
Provide a pricing schedule of any other costs of items that may relate to business requirements or as other features or options for the City to consider.	\$

2. Bidders shall provide labor service for training, engineering, and installation/implementation of the System. This section is not limited to the design, development and testing and shall not include sales tax due to services:

Pricing Training, Customization Services, and Installation/Implementation	
Training:	\$
Customization Services:	\$
Installation/Implementation:	\$
Total	\$

3. Bidders shall provide all annual (1st year) maintenance costs for software, hardware, licensing and support (not taxable):

Pricing Annual (1st Year) Maintenance, Licensing and Support Costs	
Software Maintenance	\$
Hosting/Hardware Maintenance	\$
Licensing	\$
Support	\$
Total	\$

4. Bidders shall provide pricing for multi-year terms on maintenance, licensing, and/or support.

Optional Pricing Multi Year Maintenance, Licensing and Support Costs	
2nd Year Maintenance Costs	\$
3rd Year Maintenance Costs	\$

EXHIBIT A

CITY OF ESCONDIDO
PUBLIC SERVICES AGREEMENT

This Agreement is made this _____ day of _____, 20__.

Between: CITY OF ESCONDIDO
 a Municipal Corporation
 201 N. Broadway
 Escondido, California 92025
 Attn: _____
 760-xxxx
 ("CITY")

And: [Name]
 [Street address]
 [City, state, zip code]
 [Attn: (name of contact)]
 [Insert telephone number]
 ("CONTRACTOR")

WHEREAS, the CITY and CONTRACTOR desire to enter into this Agreement for the performance of services;

NOW, THEREFORE, it is mutually agreed as follows:

1. Description of Services. CONTRACTOR will furnish all of the services described in "Attachment A," which is attached and incorporated by this reference. CONTRACTOR agrees to diligently perform such services to their completion, with professional quality and technical accuracy.
2. Compensation. The CITY will pay and CONTRACTOR will accept in full payment for the above work, the sum of \$_____. Any breach of this Agreement will relieve CITY from the obligation to pay CONTRACTOR, if CONTRACTOR has not corrected the breach after CITY provides notice and a reasonable time to correct it. If this Agreement is amended at any time, additional compensation of CONTRACTOR contained in subsequent amendment(s) shall not exceed a cumulative total of ten percent (10%) of the maximum payment provided for in this Section 2.
3. Term and Time of Performance. CONTRACTOR must start working within one (1) week from City's notice to begin. CONTRACTOR must diligently perform and complete the work by _____. Extension of terms or time of performance may be made only upon the City's written consent.
4. Scope of Compensation. CONTRACTOR will be responsible for performance of the tasks specified in the Description of Services in "Attachment A." No compensation will be provided for any other tasks without specific prior written consent from the CITY.
5. Performance. CONTRACTOR must faithfully perform in a proficient manner, to the satisfaction of the CITY, all the work or services described in the Description of Services, above.
6. City Property. All original documents, drawings, electronic media, and other material prepared by CONTRACTOR under this Agreement immediately becomes the exclusive property of the CITY,

and may not be used by CONTRACTOR for any other purpose without prior written consent of the CITY.

7. Insurance Requirements.

- a. The CONTRACTOR shall secure and maintain at its own cost, for all operations, the following insurance coverage, unless reduced by the City Attorney:
 - (1) General liability insurance. Occurrence basis with minimum limits of \$1,000,000 each occurrence, \$2,000,000 General Aggregate, and \$1,000,000 Products/Completed Operations Aggregate; and
 - (2) Automobile liability insurance of \$1,000,000 combined single-limit per accident for bodily injury and property damage, unless waived as provided in 7(b) below; and
 - (3) Workers' compensation and employer's liability insurance as required by the California Labor Code, as amended, or certificate of sole proprietorship; and

- b. It is the parties' understanding that the use of a motor vehicle is not a primary subject of this Agreement. CONTRACTOR acknowledges that operating a motor vehicle is outside the scope of this Agreement and occurs only at the convenience of CONTRACTOR. A waiver of automobile liability insurance is only effective if both sets of initials appear below, otherwise such insurance is required.

Acknowledged by CONTRACTOR _____

Waiver appropriate by CITY _____

- c. Each insurance policy required above must be acceptable to the City Attorney.
 - (1) Each policy must provide for written notice within no more than thirty (30) days if cancellation or termination of the policy occurs. Insurance coverage must be provided by an A.M. Best's A- rated, class V carrier or better, admitted in California, or if non-admitted, a company that is not on the Department of Insurance list of unacceptable carriers.
 - (2) All non-admitted carriers will be required to provide a service of suit endorsement in addition to the additional insured endorsement.
 - (3) Both the General Liability and the Automobile Liability policies must name the CITY specifically as an additional insured under the policy on a separate endorsement page. The endorsement must be ISO Form CG2010 11/85 edition or its equivalent for General Liability endorsements and CA 20-01 for Automobile Liability endorsements.
 - (4) The General Liability policy must include coverage for bodily injury and property damage arising from CONTRACTOR's work, including its on-going operations and products-completed operations hazard.
 - (5) The General Liability policy must be primary and noncontributory and any insurance maintained by CITY is excess.

- d. In executing this Agreement, CONTRACTOR agrees to have completed insurance documents on file with the CITY within fourteen (14) days after the date of execution. Failure to comply with insurance requirements under this Agreement will be a material breach of this Agreement, resulting in immediate termination at CITY's option.

8. Indemnification. CONTRACTOR (which in this paragraph 8 includes its agents, employees and subcontractors, if any) agrees to indemnify, defend, and hold harmless the CITY from all claims,

lawsuits, damages, judgments, loss, liability, or expenses, including attorneys' fees, for any of the following:

- a. Any claim of liability arising out of the negligence or any acts or omissions of CONTRACTOR in the performance of this Agreement;
- b. Any personal injuries, property damage or death that CONTRACTOR may sustain while using CITY-controlled property or equipment, while participating in any activity sponsored by the CITY, or from any dangerous condition of property; or
- c. Any injury or death which results or increases by any action taken to medically treat CONTRACTOR.

Stormwater Indemnification. CONTRACTOR shall further indemnify, defend, and hold harmless CITY and its officers, employees, and agents from and against any and all liabilities, claims, actions, causes of action, proceedings, suits, administrative proceeds, damages, fines, penalties, judgments, orders, liens, levies, costs and expenses of whatever nature, including reasonable attorney's fees and disbursements, arising out of any violation, or claim of violation of the San Diego Municipal Storm Water Permit (Order No. R9-2013-0001), as amended or renewed, of the California Regional Water Quality Control Board Region 9, San Diego, which CITY might suffer, incur, or become subject by reason of or occurring as a result of or allegedly caused by the construction of the Project or the Improvements.

9. Anti-Assignment Clause. Since the CITY has relied on the particular skills of CONTRACTOR in entering this Agreement, CONTRACTOR may not assign, delegate, or sublet any duty or right under this Agreement, or any portion of the Description of Services. Any such purported assignment, delegation, or subletting will void this entire Agreement, unless the CITY has previously approved such action in writing. Unless CONTRACTOR assigns this entire Agreement, including all rights and duties herein, to a third party with the CITY'S written consent, CONTRACTOR shall be the sole payee under this Agreement. Any and all payments made pursuant to the terms of this Agreement are otherwise not assignable.
10. Costs and Attorney's Fees. In the event that legal action is required to enforce the terms and conditions of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs.
11. Independent Contractor. CONTRACTOR is an independent contractor and no agency or employment relationship is created by the execution of this Agreement.
12. Merger Clause. This Agreement and its Attachments, if any, are the entire understanding of the parties, and there are no other terms or conditions, written or oral, controlling this matter. In the event of any conflict between the provisions of this Agreement and any of its Attachments, the provisions of this Agreement must prevail.
13. Anti-Waiver Clause. None of the provisions in this Agreement will be waived by CITY because of previous failure to insist upon strict performance, nor will any provision be waived because any other provision has been waived by CITY, in whole or in part.
14. Severability. The invalidity in whole or in part of any provision of this Agreement will not void or affect the validity of any other provisions of this Agreement.
15. Choice of Law. This Agreement is governed by the laws of the State of California. Venue for all actions arising from this Agreement must be exclusively in the state or federal courts located in San Diego County, California.

16. Multiple Copies of Agreement/Counterparts. Multiple copies and/or counterparts of this Agreement may be executed, including duplication by photocopy or by computerized scanning device. Each duplicate will be deemed an original with the same effect as if all the signatures were on the same instrument. However, the parties agree that the Agreement on file in the office of the Escondido City Clerk is the copy of the Agreement that shall take precedence should any differences exist among copies or counterparts of the document.
17. Provisions Cumulative. The foregoing provisions are cumulative and in addition to and not in limitation of any other rights or remedies available to the CITY.
18. Notices to Parties. Any statements, communications or notices to be provided pursuant to this Agreement must be sent to the attention of the persons indicated below. Each party agrees to promptly send notice of any changes of this information to the other party.
19. Business License. The CONTRACTOR is required to obtain a City of Escondido Business License prior to execution of this Agreement.
20. Compliance with Applicable Laws, Permits and Licenses. CONTRACTOR shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, and rules in effect during the term of this Agreement. This shall include, but not limited to, all California Labor Code laws regarding payment of prevailing wages and all OSHA regulations. CONTRACTOR shall obtain any and all licenses, permits, and authorizations necessary to perform the services set forth in this Agreement. Neither CITY, nor any elected nor appointed boards, officers, officials, employees, or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONTRACTOR to comply with this section.
21. Prevailing Wages. If applicable, pursuant to Section 1770 et seq. of the Labor Code, CONTRACTOR agrees that a prevailing rate and scale of wages, in accordance with applicable State and Federal Law, will be paid in the carrying out of this Agreement. CONTRACTOR shall keep itself informed of and comply with all applicable federal, state, and local laws, statutes, codes, ordinances, regulations, and rules pertaining to the payment of prevailing wages. The prevailing rate and scale to be paid shall be the same as the 'General Prevailing Wage Rates' approved by the Department of Industrial Relations as of the date of the execution of this Agreement. Said rates and scales are herein referred to and adopted in this Agreement as though fully and completely set forth herein, and said scale as adopted by the Department is made a part of this Agreement by reference. Copies of the prevailing rate of per diem wages are available on the Intranet at (<http://www.dir.ca.gov/DLSR>). Neither CITY, nor any elected nor appointed boards, officers, officials, employees, or agents of CITY, shall be liable, at law or in equity, as a result of any failure of CONTRACTOR to comply with this section.
22. Immigration Reform and Control Act of 1986. CONTRACTOR shall keep itself informed of and comply with the Immigration Reform and Control Act of 1986. CONTRACTOR affirms that as a licensed Contractor and employer in the State of California, all new employees must produce proof of eligibility to work in the United States within the first three days of employment and that only employees legally eligible to work in the United States will be employed on this public project. CONTRACTOR agrees to comply with such provisions before commencing and continuously throughout the performance of this Agreement.

IN WITNESS WHEREOF, the parties below are authorized to act on behalf of their organizations, and have executed this Agreement as of the date set forth below.

DATE: _____

Signature

Department or Division Head

(Contractor Name)

DATE: _____

(Contractor Signature)

(Title)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
MICHAEL R. MCGUINNESS, Interim City Attorney

BY: _____

THE CITY OF ESCONDIDO DOES NOT DISCRIMINATE AGAINST QUALIFIED PERSONS WITH DISABILITIES.

IN WITNESS WHEREOF, the parties below are authorized to act on behalf of their organizations, and have executed this Agreement as of the date set forth below.

CITY OF ESCONDIDO

DATE: _____

Jeffrey R. Epp
Interim City Manager

(Contractor Name)

DATE: _____

(Contractor Signature)

(Title)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
MICHAEL R. MCGUINNESS, Interim City Attorney

BY: _____

THE CITY OF ESCONDIDO DOES NOT DISCRIMINATE AGAINST QUALIFIED PERSONS WITH DISABILITIES.

IN WITNESS WHEREOF, the parties below are authorized to act on behalf of their organizations, and have executed this Agreement as of the date set forth below.

CITY OF ESCONDIDO

DATE: _____

Sam Abed
Mayor

Diane Halverson
City Clerk

(Contractor Name)

DATE: _____

(Contractor Signature)

(Title)

APPROVED AS TO FORM:

OFFICE OF THE CITY ATTORNEY
MICHAEL R. MCGUINNESS, Interim City Attorney

BY: _____

THE CITY OF ESCONDIDO DOES NOT DISCRIMINATE AGAINST QUALIFIED PERSONS WITH DISABILITIES.