

**CITY OF MARYSVILLE AGENDA BILL**

**EXECUTIVE SUMMARY FOR ACTION**

**CITY COUNCIL MEETING DATE: November 23, 2020**

<b>AGENDA ITEM:</b>	
Extending and Combining Professional Services Agreement with Valli Information Systems dba Billing Document Specialists	
<b>PREPARED BY:</b>	<b>DIRECTOR APPROVAL:</b>
John Nield, Financial Operations Manager	
<b>DEPARTMENT:</b>	
Utility Billing	
<b>ATTACHMENTS:</b>	
Signed Professional Services Agreement	
<b>BUDGET CODE:</b>	<b>AMOUNT:</b>
00143523.541000	\$1,700,000
<b>SUMMARY:</b>	

Staff is requesting authorization of a combined Professional Services Agreement with Valli Information Systems dba Billing Document Specialists (BDS) to provide bill print, lockbox services, online bill presentment, payment options, self-service customer Kiosk and customer contact for the City of Marysville Utility Customers for an additional 5 years and 10 months until September 30, 2026. BDS has provided high quality bill printing and lockbox services for over 6 years and provided online bill presentment and bill payment options for 3 and a half years. This is combining both previous contracts into one seamless contract for all services. There is no other changes in the contract conditions or rates.

**RECOMMENDED ACTION:**

Staff recommends that Council authorize the Mayor sign and execute the Professional Services Agreement between the City of Marysville and Valli Information Systems dba Billing Documents Specialist.

**RECOMMENDED MOTION:**

I move to authorize the Mayor to sign and execute the Professional Services Agreement between the City of Marysville and Valli Information Systems dba Billing Documents Specialist.

**PROFESSIONAL SERVICES AGREEMENT BETWEEN  
CITY OF MARYSVILLE  
AND BILLING DOCUMENT SPECIALISTS FOR BILL PRINTING,  
LOCKBOX SERVICES, ONLINE BILL PRESENTMENT, ONLINE BILL  
PAYMENT AND PHONE PAYMENT SERVICES**

**THIS AGREEMENT** (“Agreement”) is made and entered into as of the date of the last signature below, by and between the City of Marysville, a Washington State municipal corporation (“City”), and Billing Document Specialists, a division of Valli Information Systems, an Idaho Privately Held Corporation, organized under the laws of the state of Idaho, located and doing business at 915 Main Street, Suite 1000 Caldwell, ID 83605 (“Consultant”).

WHEREAS, the parties hereto have previously entered into a Substituted Professional Services Agreement between City of Marysville and Billing Document Specialists for Online Bill Presentment and for Online and Phone Payment Provider (the “Substituted Professional Services Agreement”), said Substituted Professional Services Agreement being dated March 6, 2017 and terminating on March 31, 2022; and

WHEREAS, the parties hereto have previously entered into an agreement for Billing Document Specialists to provide lockbox services for the City of Marysville’s utility billing customers (the “Original Agreement”), said Original Agreement being dated August 18, 2014; and

WHEREAS, the parties extended the term of the Original Agreement in a supplemental amendment (the “Supplemental Agreement No. 1”), said Supplemental Agreement No. 1 being dated August 6, 2019; and

WHEREAS, the parties extended the term of the Supplemental Agreement No. 1 in a second supplemental agreement (the “Supplemental Agreement No. 2”), said Supplemental Agreement No. 2 being dated July 14, 2020 and terminating on September 20, 2021; and

WHEREAS, both parties desire to terminate all previous contracts including the Substituted Professional Services Agreement and the Original Agreement with Supplemental Agreement Nos. 1 and 2 and replace with this Agreement.

In consideration of the terms, conditions, covenants, and performances contained herein, the parties hereto agree as follows:

**1. SCOPE OF SERVICES.** The Consultant shall provide the work and services described in the attached **EXHIBIT A**, incorporated herein by this reference (the “Services”). All services

and materials necessary to accomplish the tasks outlined in the Scope of Services shall be provided by the Consultant unless noted otherwise in the Scope of Services or this Agreement. All such services shall be provided in accordance with the standards of the Consultant's profession.

**2. TERM.** The term of this Agreement shall commence on December 1<sup>st</sup>, 2020 and shall terminate at midnight on September 30, 2026. The parties may extend the term of this Agreement by executing a written supplemental amendment.

**3. COMPENSATION.** The Consultant shall be paid by the City for Services rendered under this Agreement as described in **EXHIBIT A and EXHIBIT C** and as provided in this section. In no event shall the compensation paid to Consultant under this Agreement exceed **One Million Seven Hundred Thousand Dollars] (\$1,700,000.00)** within the term of the Agreement, including extensions, without the written agreement of the Consultant and the City. Such payment shall be full compensation for the Services and for all labor, materials, supplies, equipment, incidentals, and any other expenses necessary for completion.

The Consultant shall submit a monthly invoice to the City for Services performed in the previous calendar month in a format acceptable to the City. The Consultant shall maintain time and expense records and provide them to the City upon request.

The City will pay timely submitted and approved invoices received before the 20th of each month within thirty (30) days of receipt.

**4. CONSULTANT'S OBLIGATIONS.**

**4.1 MINOR CHANGES IN SCOPE.** The Consultant agrees to accept minor changes, amendments, or revisions to the scope of the Services, as may be required by the City, when such changes, amendments, or revisions will not have any impact on the cost of the Services or the proposed delivery schedule.

**4.2 ADDITIONAL WORK.** The City may desire to have the Consultant perform additional work or services which are not identified in the scope of the Services. If the parties agree to the performance of additional work or services, the parties will execute a written supplemental amendment detailing the additional work or services and compensation therefore. In no event will the Consultant be compensated for preparing proposals for additional work or services. In no event shall the Consultant begin work contemplated under a supplemental amendment until the supplemental amendment is fully executed by the parties.

**4.3 WORK PRODUCT AND DOCUMENTS.** The work product and all documents produced under this Agreement shall be furnished by the Consultant to the City, and upon completion of the Services shall become the property of the City, except that the Consultant may retain one copy of the work product and documents for its records. The Consultant will be responsible for the accuracy of the Services, the work product, and all documents produced under

this Agreement, even though the Services have been accepted by the City.

In the event that the Consultant defaults on this Agreement or in the event that this Agreement is terminated prior to the completion of the Services or the time for completion, all work product and all documents and other materials produced under this Agreement, along with a summary of work as of the date of default or termination, shall become the property of the City. The summary of Services provided shall be prepared at no additional cost to the City. Upon request, the Consultant shall tender the work product, all documents, and the summary to the City within five (5) business days. Tender of said work product shall be a prerequisite to final payment under this Agreement.

The Consultant will not be held liable for reuse of work product or documents produced under this Agreement or modification of the work product or documents for any purpose other than those identified in this Agreement without the written authorization of the Consultant.

**4.4 PUBLIC RECORDS ACT.** Consultant acknowledges that the City is subject to the Public Records Act, chapter 42.56 RCW (the “PRA”). All records owned, used, or retained by the City are public records subject to disclosure unless exempt under the PRA, whether or not the records are in the possession or control of the City or Consultant. All exemptions to the PRA are narrowly construed.

a. **Confidential Information.** Any records provided to the City by the Consultant which contain information that the Consultant in good faith believes is not subject to disclosure under the PRA shall be marked “Confidential” and shall identify the specific information that the Consultant in good faith believes is not subject to disclosure under the PRA and a citation to the statutory basis for non-disclosure.

b. **Responding to Public Records Requests.** The City shall exercise its sole legal judgment in responding to public records requests.

- (1) The City may rely upon the lack of notification from the Consultant in releasing any records that are not marked “Confidential.”
- (2) If records identified as “Confidential” by the Consultant are responsive to a PRA request, the City will seek to provide notice to Consultant at least ten (10) business days before the date on which the City anticipates releasing records. The City is under no obligation to assert any applicable exemption on behalf of the Consultant. The Consultant may seek, at its sole cost, an injunction preventing the release of information which it believes is protected. In no event will the City have any liability to Consultant for any failure of the City to provide notice prior to release.
- (3) If the City, in its sole legal judgment, believes that the Consultant possesses records that (1) are responsive to a PRA request and (2) were used by the City, the City will request the records from the Consultant.



The Consultant will, within ten (10) business days:

- i. Provide the records to the City in the manner requested by the City;
- ii. Obtain a court injunction, in a lawsuit involving the requester, covering all, or any confidential portion of, the records and provide any records not subject to the court injunction; or
- iii. Provide an affidavit, in a form acceptable to the City Attorney, specifying that the Consultant has made a diligent search and did not locate any requested documents.

c. **Indemnification.** In addition to its other indemnification and defense obligations under this Agreement, the Consultant shall indemnify and defend the City from and against any and all losses, penalties, fines, claims, demands, expenses (including, but not limited to, attorneys fees and litigation expenses), suits, judgments, or damages (collectively “Damages”) arising from or relating to any request for records related to this Agreement, to the extent such Damages are caused by action or inaction of the Consultant. This indemnification and defense obligation shall survive the expiration or termination of this Agreement.

**4.5 MAINTENANCE/INSPECTION OF RECORDS.** The Consultant shall maintain all books, records, documents, and other evidence pertaining to the costs and expenses allowable under this Agreement in accordance with generally accepted accounting practices. All such books and records required to be maintained by this Agreement shall be subject to inspection and audit by representatives of the City and/or the Washington State Auditor at all reasonable times, and the Consultant shall afford the proper facilities for such inspection and audit. Representatives of the City and/or the Washington State Auditor may copy such books, accounts, and records where necessary to conduct or document an audit. The Consultant shall preserve and make available all such books of account and records for a period of three (3) years after final payment under this Agreement. In the event that any audit or inspection identifies any discrepancy in such financial records, the Consultant shall provide the City with appropriate clarification and/or financial adjustments within thirty (30) calendar days of notification of the discrepancy.

**4.6 INDEMNITY.**

a. **Indemnification and Hold Harmless.** The Consultant shall defend, indemnify, and hold the City, its officers, officials, employees, and volunteers harmless from any and all claims, injuries, damages, losses, or suits including attorney fees, arising out of or resulting from the acts, errors, or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

b. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent

negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability, including the duty and cost to defend, hereunder shall be only to the extent of the Consultant's negligence.

c. The provisions of this Section 4.6 shall survive the expiration or termination of this Agreement.

d. The Consultant hereby knowingly, intentionally, and voluntarily waives the immunity of the Industrial Insurance Act, Title 51 RCW, solely for the purposes of the indemnity contained in subpart "a" of this Section 4.6. This waiver has been mutually negotiated by the parties.

\_\_\_\_\_ (City Initials)      JB (Contractor Initials)

#### 4.7 INSURANCE.

a. **Insurance Term.** The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the Services hereunder by the Consultant, its agents, representatives, or employees.

b. **No Limitation.** Consultant's maintenance of insurance as required by the Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

c. **Minimum Scope of Insurance.** Consultant shall obtain insurance of the types and coverage described below:

- (1) Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage.
- (2) Commercial General Liability insurance shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the Services performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.
- (3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
- (4) Professional Liability insurance appropriate to the Consultant's profession.

d. **Minimum Amounts of Insurance.** Consultant shall maintain the following insurance limits:

- (1) Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
- (2) Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
- (3) Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

e. **Other Insurance Provision.** The Consultant's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respect the City. Any Insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.

f. **Acceptability of Insurers.** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

g. **Verification of Coverage.** The Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the Services.

h. **Notice of Cancellation.** The Consultant shall provide the City with written notice of any policy cancellation within two business days of the Consultant's receipt of such notice.

i. **Failure to Maintain Insurance.** Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days notice to the Consultant to correct the breach, immediately terminate the Agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

j. **Insurance to be Occurrence Basis.** Unless approved by the City all insurance policies shall be written on an "Occurrence" policy as opposed to a "Claims-made" policy. The City may require an extended reporting endorsement on any approved "Claims-made" policy. Professional liability insurance may be written on a "Claims-made" basis if it is maintained for a period of three (3) years following completion of the services.

k. **City Full Availability of Consultant Limits.** If the Consultant maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained

by the Consultant, irrespective of whether such limits maintained by the Consultant are greater than those required by this Agreement or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Consultant.

**4.8 LEGAL RELATIONS.** The Consultant shall comply with all federal, state, and local laws, regulations, and ordinances applicable to the Services to be performed under this Agreement. The Consultant represents that it and all employees assigned to perform any of the Services under this Agreement are in full compliance with the statutes of the State of Washington governing the Services and that all personnel to be assigned to the Services are fully qualified and properly licensed to perform the work to which they will be assigned.

**4.9 INDEPENDENT CONTRACTOR.**

a. The Consultant and the City understand and expressly agree that the Consultant is an independent contractor in the performance of each and every part of this Agreement. The Consultant expressly represents, warrants, and agrees that the Consultant's status as an independent contractor in the performance of the Services required under this Agreement is consistent with and meets the six-part independent contractor test set forth in RCW 51.08.195 or as hereafter amended. The Consultant, as an independent contractor, assumes the entire responsibility for carrying out and accomplishing the Services required under this Agreement. The Consultant shall not make a claim of City employment and shall not claim any related employment benefits, social security, and/or retirement benefits.

b. The Consultant shall be solely responsible for paying all taxes, deductions, and assessments, including but not limited to federal income tax, FICA, social security tax, assessments for unemployment and industrial injury, and other deductions from income which may be required by law or assessed against either party as a result of this Agreement. In the event the City is assessed a tax or assessment as a result of this Agreement, the Consultant shall pay the same before it becomes due.

c. The City may, during the term of this Agreement, engage other independent contractors to perform the same or similar work to the Services that the Consultant performs under this Agreement.

d. Prior to commencement of Services, the Consultant shall obtain a business license from the City.

**4.10 EMPLOYMENT.**

a. The term "employee" or "employees" as used herein shall mean any officers, agents, or employee of the Consultant.

b. Any and all employees of the Consultant, while performing any Services



under this Agreement, shall be considered employees of the Consultant only and not of the City. The Consultant shall be solely liable for: (1) any and all claims that may or might arise under the Workman's Compensation Act, Title 51 RCW, on behalf of any said employees while performing any Services under this Agreement, and (2) any and all claims made by any third party as a consequence of any negligent act or omission on the part of the Consultant or its employees while performing any Services under this Agreement.

c. The Consultant represents, unless otherwise indicated below, that all employees of the Consultant that will perform any Services under this Agreement have never been retired from a Washington State retirement system, including but not limited to Teacher (TRS), School District (SERS), Public Employee (PERS), Public Safety (PSERS), law enforcement and fire fighters (LEOFF), Washington State Patrol (WSPRS), Judicial Retirement System (JRS), or otherwise. *(Please use initials to indicate No or Yes below.)*

  **YB**   No, employees performing the Services have never been retired from a Washington state retirement system.

       Yes, employees performing the Services have been retired from a Washington state retirement system.

In the event the Consultant checks "no", but an employee in fact was a retiree of a Washington State retirement system, and because of the misrepresentation the City is required to defend a claim by the Washington State retirement system, or to make contributions for or on account of the employee, or reimbursement to the Washington State retirement system for benefits paid, the Consultant hereby agrees to save, indemnify, defend and hold the City harmless from and against all expenses and costs, including reasonable attorney fees incurred in defending the claim of the Washington State retirement system and from all contributions paid or required to be paid, and for all reimbursement required to the Washington State retirement system. In the event the Consultant checks "yes" and affirms that an employee providing work has ever retired from a Washington State retirement system, every said employee shall be identified by the Consultant and such retirees shall provide the City with all information required by the City to report the employment with Consultant to the Department of Retirement Services of the State of Washington.

**4.11 NONASSIGNABLE.** Except as provided in **EXHIBIT B**, the Services to be provided by the Consultant shall not be assigned or subcontracted without the express written consent of the City.

**4.12 SUBCONTRACTORS AND SUBCONSULTANTS.**

a. The Consultant is responsible for all work or services performed by subcontractors or subconsultants pursuant to the terms of this Agreement.

b. The Consultant must verify that any subcontractors or subconsultants the Consultant directly hires meet the responsibility criteria for the Services. Verification that a subcontractor or subconsultant has proper license and bonding, if required by statute, must be included in the verification process. If the parties anticipate the use of subcontractors or subconsultants, the subcontractors or subconsultants are set forth in **EXHIBIT B**.

c. The Consultant may not substitute or add subcontractors or subconsultants without the written approval of the City.

d. All subcontractors or subconsultants shall have the same insurance coverage and limits as set forth in this Agreement and the Consultant shall provide verification of said insurance coverage.

**4.13 CONFLICTS OF INTEREST.** The Consultant agrees to and shall notify the City of any potential conflicts of interest in Consultant's client base and shall obtain written permission from the City prior to providing services to third parties when a conflict or potential conflict of interest exists. If the City determines in its sole discretion that a conflict is irreconcilable, the City reserves the right to terminate this Agreement.

**4.14 CITY CONFIDENCES.** The Consultant agrees to and will keep in strict confidence, and will not disclose, communicate, or advertise to third parties without specific prior written consent from the City in each instance, the confidences of the City or any information regarding the City or the Services provided to the City.

**4.15 DISCRIMINATION PROHIBITED AND COMPLIANCE WITH EQUAL OPPORTUNITY LEGISLATION.** The Consultant agrees to comply with equal opportunity employment and not to discriminate against any client, employee, or applicant for employment or for services because of race, creed, color, religion, national origin, marital status, sex, sexual orientation, age, or handicap except for a bona fide occupational qualification with regard, but not limited to, the following: employment upgrading; demotion or transfer; recruitment or any recruitment advertising; layoff or terminations; rates of pay or other forms of compensation; selection for training; or rendition of services. The Consultant further agrees to maintain (as appropriate) notices, posted in conspicuous places, setting forth its nondiscrimination obligations. The Consultant understands and agrees that if it violates this nondiscrimination provision, this Agreement may be terminated by the City, and further that the Consultant will be barred from performing any services for the City now or in the future, unless a showing is made satisfactory to the City that discriminatory practices have been terminated and that recurrence of such action is unlikely.

**4.16 UNFAIR EMPLOYMENT PRACTICES.** During the performance of this Agreement, the Consultant agrees to comply with RCW 49.60.180, prohibiting unfair employment

practices.

**5. CITY APPROVAL REQUIRED.** Notwithstanding the Consultant's status as an independent contractor, the Services performed pursuant to this Agreement must meet the approval of the City, which shall not be unreasonably withheld if the Services have been completed in compliance with the Scope of Services and City requirements.

**6. GENERAL TERMS.**

**6.1 NOTICES.** Receipt of any notice shall be deemed effective three (3) calendar days after deposit of written notice in the U.S. mail with proper postage and address.

Notices to the City shall be sent to the following address:

**CITY OF MARYSVILLE**

Jan Berg  
1049 State Ave  
Marysville WA 98270

Notices to the Consultant shall be sent to the following address:

**Billing Document Specialists**

Tim Beck, COO  
915 Main Street, Suite 1000  
Caldwell ID 83605

**6.2 TERMINATION.** The City may terminate this Agreement in whole or in part at any time by sending written notice to the Consultant. As per Section 6.1, the Consultant is deemed to have received the termination notice three (3) calendar days after deposit of the termination notice in the U.S. mail with proper postage and address. The termination notice is deemed effective seven (7) calendar days after it is deemed received by the Consultant.

If this Agreement is terminated by the City for its convenience, the City shall pay the Consultant for satisfactory Services performed through the date on which the termination is deemed effective in accordance with payment provisions of Section 3, unless otherwise specified in the termination notice. If the termination notice provides that the Consultant will not be compensated for Services performed after the termination notice is received, the City will have the discretion to reject payment for any Services performed after the date the termination notice is deemed received.

**6.3 DISPUTES.** The parties agree that, following reasonable attempts at negotiation and compromise, any unresolved dispute arising under this Agreement may be resolved by a mutually agreed-upon alternative dispute resolution of arbitration or mediation.



**6.4 EXTENT OF AGREEMENT/MODIFICATION.** This Agreement, together with exhibits, attachments, and addenda, represents the entire and integrated Agreement between the parties and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended, modified, or added to only by a written supplemental amendment properly signed by both parties.

**6.5 SEVERABILITY.**

a. If a court of competent jurisdiction holds any part, term, or provision of this Agreement to be illegal or invalid, in whole or in part, the validity of the remaining parts, terms, or provisions shall not be affected, and the parties' rights and obligations shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

b. If any part, term, or provision of this Agreement is in direct conflict with any statutory provision of the State of Washington, that part, term, or provision shall be deemed inoperative and null and void insofar as it may conflict, and shall be deemed modified to conform to such statutory provision.

**6.6 NONWAIVER.** A waiver by either party of a breach by the other party of any covenant or condition of this Agreement shall not impair the right of the party not in default to avail itself of any subsequent breach thereof. Leniency, delay, or failure of either party to insist upon strict performance of any agreement, covenant, or condition of this Agreement, or to exercise any right herein given in any one or more instances, shall not be construed as a waiver or relinquishment of any such agreement, covenant, condition, or right.

**6.7 FAIR MEANING.** The terms of this Agreement shall be given their fair meaning and shall not be construed in favor of or against either party hereto because of authorship. This Agreement shall be deemed to have been drafted by both of the parties.

**6.8 GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

**6.9 VENUE.** The venue for any action to enforce or interpret this Agreement shall lie in the Superior Court of Washington for Snohomish County, Washington.

**6.10 COUNTERPARTS.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.

**6.11 AUTHORITY TO BIND PARTIES AND ENTER INTO AGREEMENT.** The undersigned represent that they have full authority to enter into this Agreement and to bind the parties for and on behalf of the legal entities set forth herein.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

CITY OF MARYSVILLE

By \_\_\_\_\_  
Jon Nehring, Mayor

DATED this 18 day of November, 2020.

VALLI INFORMATION SYSTEMS

By   
Tim Beck  
Its: Chief Operating Officer

ATTEST/AUTHENTICATED:

\_\_\_\_\_, Deputy City Clerk

Approved as to form:

\_\_\_\_\_  
Jon Walker, City Attorney

# **EXHIBIT A**

## **Scope of Services**

The Consultant will provide the Services requested by the City in conformance with the proposal it submitted to the City's request for proposals related to online bill presentation, bill payments, and bill notifications (the "Proposal"). The Consultant's Proposal is attached hereto and incorporated by this reference. The Consultant will invoice the City for Services provided, in conformance with the terms of its Proposal.

“Services” will include lockbox processing, bill printing, online bill presentment, web payments, phone payments, customer self-service kiosk (price of Kiosk is \$15,000.00) and processing done by Drive Payments which is wholly owned and operated by Billing Document Specialists, a division of Valli Information Systems Inc with current pricing as stated in previously signed contracts:

1. Online Bill Presentment and for Online and Phone Payment Provider said Substituted Professional Services Agreement being dated March 6, 2017 and terminating on March 31, 2022
2. Lockbox services for the City of Marysville’s utility billing customers (the “Original Agreement”), said Original Agreement being dated August 18, 2014; and extended the term of the Original Agreement in a supplemental amendment, said Supplemental Agreement No. 1 being dated August 6, 2019; and extended the term of the Supplemental Agreement No. 1 in a second supplemental agreement (the “Supplemental Agreement No. 2”), said Supplemental Agreement No. 2 being dated July 14, 2020 and terminating on September 20, 2021

Billing Document Specialists, a division of Valli Information Systems Inc will indemnify the City of Marysville from any issues that could arise from Gravity Payments.

**EXHIBIT B**

**Subcontractors/Subconsultants**

**Below is a list of approved subcontractors/subconsultants. If left blank, there are no approved subcontractors or subconsultants.**

**Gravity Payments to Provide Merchant Services Processing.**

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**EXHIBIT C**

**SCHEDULE OF FEES AND COSTS.  
Lockbox Services**



<b>Schedule of Fees</b>			
	<b>Estimated Monthly Volume</b>	<b>Unit Price</b>	<b>Total</b>
Preprocessing Regular Bills: on custom preprinted stock including static backer/ duplexed information	11,500	0.125	\$1,438
Preprocessing Past Due Notices on red colored stock	2,700	0.135	\$365
Preprocessing Shut Off Notices on yellow colored stock	1,700	0.135	\$230
Preprocessing Final Bills	350	0.125	\$44
Merging like addresses / or name and addresses into single mailing	tbd	0.060	
Laser printing simplex		included	
Laser printing duplex : duplex back on shut off and Past Due bills in black ink	4,400	0.010	\$44
Highlight laser printing opticon variable date in color / price per color	tbd	0.015	
Postage at cost estimated USPS presorted CASS Certified rate		0.405	\$0
Sales Tax at cost depending on county / city, BDS has agreement with WA state to exempt postage from taxable sales estimate @ 8.8%			\$0
Fold & Insert	16,250	included	
Insert #9 white envelope BDS Standard single window envelopes	16,250	included	
Fold & Insert single page	16,250	included	
Fold & Insert multiple pages See Additional merging of addresses		included	
Presort/Barcode, bundle, tray and delivery to USPS		included	
NCOALink Processing		n/c	
Paper 8.5 "x 11" 24# White regular and final with one perforation at the bottom, front and back printing	11,850	Incl in .125	
Paper 8.5 "x 11" 24# Pink Past Due Notice with one perforation at the bottom, front and back printing	2,700	Incl in .135	
Paper 8.5 "x 11" 24# Yellow Shut Off Notice with one perforation at the bottom, front and back printing	1,700	Incl in .135	
#10 - 24# white Generic double window envelope with security tint	16,250	Incl in above	
<b>Programming</b>			\$0
Document changes: BDS does not charge for minor layout or formatting changes, for major changes will quote time @ 125.00per hour			\$0
Initial programming and set up	1	600.00	\$600
Training		N/C	
<b>Printing of inserts (Inserts used As Needed, not necessarily every month)</b>			\$0
Inserts that Vendor prints and folds.			\$0
8.5 x 11 black & white 1-side	11,500	0.070	\$805
8.5 x 11 black & white 2-side	11,500	0.085	\$978



<b>Schedule of Fees</b>	<b>Estimated Monthly Volume</b>	<b>Unit Price</b>	<b>Total</b>
8.5 x 11 color 1-side: full Color, see attachment for under 4 color special pricing	11,500	0.150	\$1,725
8.5 x 11 color 2-side: full Color, see attachment for under 4 color special pricing	11,500	0.170	\$1,955
3 5/8 x 8.5 black & white 1-side: Plus flat fee of \$25.00 for cutting	11,500	0.030	\$345
3 5/8 x 8.5 black & white 2-side: Plus flat fee of \$25.00 for cutting	11,500	0.035	\$403
3 5/8 x 8.5 color 1-side: Plus flat fee of \$25.00 for cutting full Color, see attachment for under 4 color special pricing	11,500	0.045	\$518
3 5/8 x 8.5 color 2-side: Plus flat fee of \$25.00 for cutting full Color, see attachment for under 4 color special pricing	11,500	0.055	\$633
Inserts, city provided and folded	11,500	0.010	\$115
<b>Bill Imaging and Retrieval</b>			
Archive images : see online viewing j24 month archives history of all images searchable by name / account number			\$0
On-line job tracking/reporting No charge		0.000	\$0
On-line viewing 24 month archived pdf images of bill, searchable by name or account number price per pdf image posted		0.010	\$0
<b>Estimated # of days from receipt of file to bill in customer's mailbox: depending on customer's rural routes</b>			
		2 to 3 days	
<b>Payment processing</b>			
One time set up and annual license with Profit Stars		1500.00	
Annual Profit Stars license renewal		700.00	
Electronic check presentment : BDS cost to process and submit to Profit Star for deposit - NEXT DAY FUNDING		0.130	\$0
Electronic Deposit to Bank of America: Bill by Profit Stars/ Jack Henry direct to Client: ACH Transactions/ individual Accts		0.150	\$0
CK21 transactions / business checks		0.200	
Photocopies: if needed per copy		0.100	\$0
Monthly Charge: Profit Stars monthly statement fee billed direct to the City		15.00	\$0
Return Check FEE from Profit Stars ACH = 1.50 for CK21 = \$2.50			
PO Box Fee: at cost depending on size estimated annual		136.00	\$0
Return Mail Deliveries via courier to City : returned USP, USPS ground or overnight at cost			\$0
Postage: at cost			\$0
Image Check only/Check list, Included in processing cost, all check & stubs available on the Admin Site by account			\$0
Image Multiple Included in Cost			\$0
Image Retail single Included in Cost			\$0
Non Processable : BDS post to admin site unable to identify images, emails client to view and advise how to process or to return to the city			\$0
Transmission Charge : Included			\$0
Bill Imaging and Retrieval: 24 month history included plus 120 day history on the Profit Stars site included no charger			\$0
Archive images : see above			\$0
create import file to City's software to post payments , Included no charge			
On-line job tracking/reporting: Included			\$0



Schedule of Fees	Estimated Monthly Volume	Unit Price	Total
On-line job viewing : included			\$0
Any additional services or products that could benefit the City, please list here.			
Those accounts that do not require # 9 return env, i.e. auto pay BDS credit back the cost of the # 9 env		-0.020	\$0
Merging of like address or name and address match, save the city postage and cost of envelopes, over 7 pages			\$0
are put into either 6 x 9 envelopes or if over 10 pages to flat envelopes, postage billed at cost, Manual files add			\$0
per 1st page manual count to cover the cost of the manual envelope and extra labor		0.300	\$0
			\$0
			\$0
			\$0
Optional Services that may be added at a later date, not part of RFP currently.			
Ability to integrate billing and payment options online		YES SEE ATTACHED	
Ability to provide paperless e-billing		YES SEE ATTACHED	
Ability to provide real-time customer support on billing inquiries			\$0
IVR calls		YES SEE ATTACHED	
IVR - The City wants to have the ability to automatically make courtesy/reminder calls to delinquent customer as well as finale accounts before they go to collections : bds can also link the outgoing calls to IVR payments		YES SEE ATTACHED	



**Services**

- 1. E-Statements
- 2. E-Statements
- 3. E-Statements
- 4. Over the Counter Payments
- 5. Lock Box Services
- 6. Lock Box Services

**Tier Pricing**

2. E-Statements	1-2 Services	3-4 Services	5-6 Services	Description of Charges
Statements Set Up <i>WAIVED</i>	\$1,250.00	\$500.00	\$350.00	Covers programming costs and statement layout
Statement processing	\$0.25	\$0.25	\$0.20	Per e-statement sent, BDS will set up a data base of all customers signed up to receive E Statements, pull the print file so that no paper statement is mailed and attach any "inserts" PDF images to the statement image so that all customers receive special notices.
Annual Maintenance	\$300.00	\$250.00	\$200.00	Includes technical support assistance, customer service for taxpayer questions and issues, and minor web site messages editing etc.
Set Up Import Data File	Included	Included	Included	This charge would only apply if BDS does not process the Print & Mail file to enable BDS to have customer validation data for the reports and import file to the clients software
Web Posting PDF Images	Included	Included	Included	Included with Print and Mail statements
	1-2 Services	3-4 Services	5-6 Services	Description of Charges
	\$1,000.00	\$750.00	\$500.00	Our Graphic Designers will create a custom page to match your website.
	<i>Waived</i>	<i>Waived</i>	<i>Waived</i>	
	\$800.00	\$600.00	\$600.00	Website maintenance includes minor page modifications i.e. contract information / disclaimer messages etc. Import files including text reports.
	no charge	No Charge	No Charge	Cardholder pays a small percentage (est. 2.75%), County has no cost for merchant fees. See attached for details.

**SCHEDULE OF FEES AND COSTS.**  
**Online, IVR, Kiosk Services**

**SCHEDULE OF FEES**  
**Online, IVR, Kiosk**

Description	Rate	Note
IVR Successful Payment	\$1.00	Per Transaction
Online Payment Transactions	\$0.05	Per Transaction
ACH transactions	\$0.15	Per Transaction
ACH returns	\$1.50	Per Return
IVR declined payments	\$0.00	Per Call
IVR Balance Check Validated	\$0.00	Per Call
SRS Shut Off Reminder System	\$0.10	Per Notification