

FORM APPROVED COUNTY COUNSEL
 BY: *Anita*
 ANITA
 DATE: 12-2-15

**SUBMITTAL TO THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

134



FROM: Purchasing and Fleet Services Department

SUBMITTAL DATE:
 December 2, 2015

SUBJECT: Approve the Agreement with Inland Presort & Mailing Services to Provide Mail Presort Services for the Purchasing Department Central Mail Division with Only One Bid Received for Five Years. All Districts [\$510,426 Annually]; [\$2,552,130 Five Year Total]; 90.15% Department Budgets and 9.85% Non-County Revenue

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Agreement with Inland Presort & Mailing Services for \$510,426 annually for five years; and,
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding, to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed 10%, as approved by County Counsel.

(Continued on Page 2)

Lisa Brandl
 Lisa Brandl, Director
 Purchasing and Fleet Serv. Dept.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 483,426	\$ 510,426	\$ 2,552,130	\$ 0	Consent <input type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$ 360,346	\$ 380,472	\$ 1,902,358	\$ 0	

SOURCE OF FUNDS: 90.15% Department Budgets (General Fund 74.54%; Non-General Fund 15.61%) and Non-County Revenue 9.85%
Budget Adjustment: No
For Fiscal Year: 15/16-19/20

C.E.O. RECOMMENDATION:

APPROVE

BY: *Ivan M. Chand*
 County Executive Office Signature Ivan M. Chand 12/7/2015

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Benoit, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
 Nays: None
 Absent: None
 Date: December 15, 2015
 xc: Purchasing

Kecia Harper-Ihem
 Clerk of the Board
 By: *Kecia Harper-Ihem*
 Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Approve the Agreement with Inland Presort & Mailing Services to Provide Mail Presort
Services for the Purchasing Department Central Mail Division with Only One Bid Received for Five
Years. All Districts [\$510,426 Annually]; [\$2,552,130 Five Year Total]; 90.15% Department Budgets
and 9.85% Non-County Revenue**

DATE: December 2, 2015

PAGE: 2 of 2

BACKGROUND:

Summary

On a daily basis, the Central Mail division of the Purchasing Department collects county inter-office mail and United States Postal Service (USPS) mail from over 400 locations throughout the county. Thereafter, Central Mail coordinates with Inland Presort & Mailing Services (IPMS), for the metering and delivery of mail to a regional USPS processing center within the same day. IPMS provides metering of mail and also offers services including: folding, collating, packaging, and inserting as requested by county departments. IPMS was the only response received to provide presort services in the Inland Empire region capable of meeting the county's same day service requirements.

Impact on Citizens and Businesses

There is no negative impact.

Contract History and Price Reasonableness

Same day mail service is needed by Central Mail services to accommodate the large volume of time sensitive first class mail collected from county departments. Ever changing postal regulations and postage rates hinder the ability to conduct same day mail service without making a major investment in the capital equipment necessary to expedite mailings. Over the past two fiscal years, Central Mail services collected over 1 million pieces of mail from county departments. Bulk mailing by a presort services company provides an efficient method to send postage mail to recipients.

In response to a recommendation contained in the recent Internal Audit Report 2015-001; Purchasing and Fleet Services Department, Central Mail Division; County Purchasing released RFQ# PUARC-1424 for Mailing Services. The solicitation was posted on the PublicPurchase.com website. In all, 25 possible bidders were notified of the bid and 15 vendors accessed the RFQ in response. Purchasing received two responses; 1) a bid was received from Inland Presort and Mailing Services, and 2) another "no bid" was submitted by Financial Statement Services of Santa Ana, CA. When contacted by Purchasing regarding their "no bid" response; Financial Statement Services indicated that their company did not have the capability to fulfill the terms of the agreement.

Therefore, it is recommended that County accept the agreement with IPMS since it offers a full lifecycle solution for essential external mail distribution and metering at bulk rates.

Estimated costs are based on the percentage of postage charges during fiscal year 2014-2015: general fund represented 74.54% of total postage; non-general fund represented 15.61% of total postage; and non-county departments (Superior Courts) represented 9.85% of total postage.

SERVICE AGREEMENT

for

PRESORT and MAILING SERVICES

between

COUNTY OF RIVERSIDE

and

INLAND PRESORT & MAILING SERVICES



TABLE OF CONTENTS

<u>SECTION HEADING</u>	<u>PAGE NUMBER</u>
1. Description of Services.....	3
2. Period of Performance.....	3
3. Compensation.....	3
4. Alteration or Changes to the Agreement	5
5. Termination	5
6. Ownership/Use of Contract Materials and Products	6
7. Conduct of Contractor	6
8. Inspection of Service: Quality Control/Assurance	7
9. Independent Contractor/Employment Eligibility	7
10. Subcontract for Work or Services.....	9
11. Disputes	9
12. Licensing and Permits	10
13. Use by Other Political Entities	10
14. Non-Discrimination	10
15. Records and Documents	10
16. Confidentiality	11
17. Administration/Contract Liaison.....	11
18. Notices.....	12
19. Force Majeure.....	12
20. EDD Reporting Requirements.....	12
21. Hold Harmless/Indemnification	12
22. Insurance	13
23. General	16
Exhibit A-Scope of Service	18
Exhibit B- Payment Provisions.....	20

This Agreement, made and entered into this 15th day of December, 2015, by and between Inland Presort & Mailing Services, Inc., (herein referred to as "CONTRACTOR"), and the County of Riverside, a political subdivision of the State of California, (herein referred to as "COUNTY"). The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services, consisting of (2 PAGES) pages at the prices stated in Exhibit B, Payment Provisions, consisting of (2 PAGES) pages.

1.2 CONTRACTOR represents that it has the skills, experience, and knowledge necessary to perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.3 CONTRACTOR affirms it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective upon signature of this Agreement by both parties and continues in effect for five year(s) with the completion date of 06/30/2020, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter. The Riverside County Board of Supervisors is the only authority that may obligate the County for a non-cancelable multi-year agreement.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed \$510,426 annually including all expenses. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement (If applicable). All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR within fifteen (15) days from the last day of each calendar month, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, send the original and duplicate copies of invoices to:

Central Mail Services
Riverside Purchasing and Fleet
2980 Washington Street
Riverside, CA 92554

Department of Public Social Services (DPSS)
Administrative Services Division - Contracts
10281 Kidd St.
Riverside CA, 92503

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; Agreement number PUARC-91558-001-008; quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) Invoices shall be rendered monthly in arrears.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

5. Termination

5.1 COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 COUNTY may, upon five (5) days written notice terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress that may endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination; and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever

to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 If the Agreement is federally or State funded, CONTRACTOR cannot be debarred from the System for Award Management (SAM). CONTRACTOR must notify the COUNTY immediately of a debarment. Reference: System for Award Management (SAM) at <https://www.sam.gov> for Central Contractor Registry (CCR), Federal Agency Registration (Fedreg), Online Representations and Certifications Application, and Excluded Parties List System (EPLS)). Excluded Parties Listing System (EPLS) (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17). The System for Award Management (SAM) is the Official U.S. Government system that consolidated the capabilities of CCR/FedReg, ORCA, and EPLS. **5.7** The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. Ownership/Use of Contract Materials and Products

The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY. The material, reports or products may be used by the COUNTY for any purpose that the COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports, or products without prior written authorization of the COUNTY.

7. Conduct of Contractor

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. Inspection of Service; Quality Control/Assurance

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected; the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess, or evaluate CONTRACTOR's performance under this Agreement at any time, upon reasonable notice to the CONTRACTOR.

9. Independent Contractor/Employment Eligibility

9.1 The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents, and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or

direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

9.2 CONTRACTOR warrants that it shall make its best effort to fully comply with all federal and state statutes and regulations regarding the employment of aliens and others and to ensure that employees performing work under this Agreement meet the citizenship or alien status requirement set forth in federal statutes and regulations. CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal or state statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain all such documentation for all covered employees, for the period prescribed by the law.

9.3 Ineligible Person shall be any individual or entity who: Is currently excluded, suspended, debarred or otherwise ineligible to participate in the federal health care programs; or has been convicted of a criminal offense related to the provision of health care items or services and has not been reinstated in the federal health care programs after a period of exclusion, suspension, debarment, or ineligibility.

9.4 CONTRACTOR shall screen prospective Covered Individuals prior to hire or engagement. CONTRACTOR shall not hire or engage any Ineligible Person to provide services directly relative to this Agreement. CONTRACTOR shall screen all current Covered Individuals within sixty (60) days of execution of this Agreement to ensure that they have not become Ineligible Persons unless CONTRACTOR has performed such screening on same Covered Individuals under a separate agreement with COUNTY within the past six (6) months. Covered Individuals shall be required to disclose to CONTRACTOR immediately any debarment, exclusion or other event that makes the Covered Individual an Ineligible Person. CONTRACTOR shall notify COUNTY within five (5) business days after it becomes aware if a Covered Individual providing services directly relative to this Agreement becomes debarred, excluded or otherwise becomes an Ineligible Person.

9.5 CONTRACTOR acknowledges that Ineligible Persons are precluded from providing federal and state funded health care services by contract with COUNTY in the event that they are currently sanctioned or excluded by a federal or state law enforcement regulatory or licensing agency. If CONTRACTOR becomes aware that a Covered Individual has become an Ineligible Person, CONTRACTOR shall remove such individual from responsibility for, or involvement with, COUNTY business operations related to this Agreement.

9.6 CONTRACTOR shall notify COUNTY within five (5) business days if a Covered Individual or entity is currently excluded, suspended or debarred, or is identified as such after being sanction screened.

Such individual or entity shall be promptly removed from participating in any activity associated with this Agreement.

10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Department's Compliance Contract Officer who shall furnish the decision in writing. The decision of the COUNTY's Compliance Contract Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Use By Other Political Entities

The CONTRACTOR agrees to extend the same pricing, terms, and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside

County. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State, or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following termination of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 The CONTRACTOR shall not use for personal gain or make other improper use of privileged or confidential information which is acquired in connection with this Agreement. The term "privileged or confidential information" includes but is not limited to: unpublished or sensitive technological or scientific information; medical, personnel, or security records; anticipated material requirements or pricing/purchasing actions; COUNTY information or data which is not subject to public disclosure; COUNTY operational procedures; and knowledge of selection of contractors, subcontractors or suppliers in advance of official announcement.

16.2 The CONTRACTOR shall protect from unauthorized disclosure names and other identifying information concerning persons receiving services pursuant to this Agreement, except for general statistical information not identifying any person. The CONTRACTOR shall not use such information for any purpose other than carrying out the CONTRACTOR's obligations under this Agreement. The CONTRACTOR shall promptly transmit to the COUNTY all third party requests for disclosure of such information. The CONTRACTOR shall not disclose, except as otherwise specifically permitted by this Agreement or authorized in advance in writing by the COUNTY, any such information to anyone other than the COUNTY. For purposes of this paragraph, identity shall include, but not be limited to, name, identifying number, symbol, or other identifying particulars assigned to the individual, such as finger or voice print or a photograph.

16.3 The CONTRACTOR is subject to and shall operate in compliance with all relevant requirements contained in the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, enacted August 21, 1996, and the related laws and regulations promulgated subsequent thereto. Please refer to Attachment 1 of this agreement.

17. Administration/Contract Liaison

The COUNTY Purchasing Agent, or designee, shall administer this Agreement on behalf of the COUNTY. The Purchasing Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

Purchasing and Fleet Department
Attn: James P. Hewett JD/MBA
2980 Washington St.
Riverside, CA 92504

CONTRACTOR

Inland Presort & Mailing Services
Attn: Nick Chudasama
2025 W. Park Ave.,
Redlands, CA 92373

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form DE 542 to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability, action, claim or damage whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature. CONTRACTOR shall defend, at

its sole expense, all costs, and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

21.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein.

21.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.4 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

22. Insurance

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents, or representatives as Additional Insureds.

A. Workers' Compensation:

If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.

B. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

C. Vehicle Liability:

If vehicles or mobile equipment is used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned, or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice

shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier shall sign the original endorsements for each policy and the Certificate of Insurance.

4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount im type of insurance carried by the CONTRACTOR has become inadequate.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of

this Agreement. Failure on the part of COUNTY to require exact, full, and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims, or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR'S performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

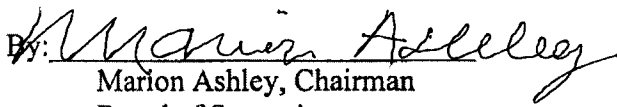
23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

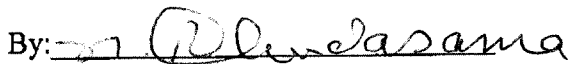
IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Agreement.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

By: 
Marion Ashley, Chairman
Board of Supervisors

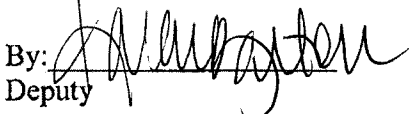
Dated: DEC 15 2015

INLAND PRESORT AND MAILING, a California corporation.

By: 
Nick Chudasama
President
Inland Presort and Mailing Services

Dated: 11-16-2015

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
Gregory P. Priamos
County Counsel

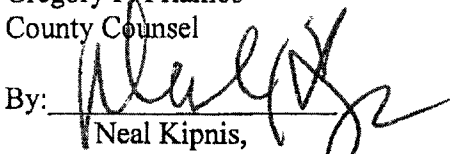
By: 
Neal Kipnis,
Deputy County Counsel

Exhibit – A - Scope of Service

A. CENTRAL MAIL SERVICES

1. CONTRACTOR will schedule mail to be picked up on a daily basis (Monday through Friday) from County Central Mail Services located at 2980 Washington, Riverside, California, at least two or three times per day, with the first pick-up time at 2:00 p.m. and the last pick up time at 4:15 p.m. CONTRACTOR will arrange extra pickups if needed.
2. CONTRACTOR will provide a copy of signed daily pick up slips of total mail picked up for the day.
3. CONTRACTOR will process all presort letters and presort flats by using Intelligent Mail Barcode (IMB), as it is required by United States Postal Service regulations.
4. CONTRACTOR will provide daily pickup from County Central Mail Services and perform services including IMB Full Service, presort, folding, collating, packaging insert, meter and mailing via First Class postage of various mailings as directed on the same-day. CONTRACTOR guarantees to maintain this schedule.
5. CONTRACTOR will store/warehouse all forms and envelopes used to process County Assessor / Clerk / Recorder mailings. CONTRACTOR will provide all services including folding, collating, inserting, sealing, metering, and mailing of documents.
6. CONTRACTOR agrees to verify addresses on all County mail, and forward the mail if requires a more current address if the recipient has moved to a new location.
7. CONTRACTOR will ensure that when County mail is being transported all vehicle(s) are locked and mail is secured and handle with utmost security.
8. CONTRACTOR will thoroughly inspect its facility and vehicles and will make sure ALL mail has been dispatched to the Post Office on **SAME DAY**.
9. CONTRACTOR will ensure that, for whatever reason, mail that cannot be processed be returned to Central Mail on the first service the next business day.
10. CONTRACTOR shall process the following mail: Standard, First-Class presort letters, and First-Class presort flats, International mail and Saturation mail. The postage for Standard Class mail will be paid from CONTRACTOR bulk account with the USPS, which will be billed on a weekly basis. If CONTRACTOR receives mailing that exceeds \$5,000.00 in postage the County will issue a check to CONTRACTOR prior to processing mail.

B. Assessor-Clerk/Recorder (ACR)

1. CONTRACTOR will pick up mail no later than 11:00 A.M. daily (Monday through – Friday) from the ACR's office located at 2724 Gateway Dr., Riverside, California.

2. CONTRACTOR will verify the documents being picked up by reviewing, dating, and signing the "Pickup" slip daily.
3. CONTRACTOR will sort by document number and pages (approximately 1,500 per day).
4. CONTRACTOR will verify number of pages that are stated on label to the actual number of pages within that document for accuracy.
5. CONTRACTOR will fold all mail into 9"x 6" or 9"x12" envelopes that are provided by the County.
6. CONTRACTOR will place white labels on all addresses that show through window of envelope which are not the "When Recorded Mail To" address.
7. CONTRACTOR will separate each document, collate it, hand fold it, hand insert it, apply label to multiple address documents, meter it, barcode/sort it, and deliver to USPS same day. No original documents that are able to be mailed are to be left overnight at IMPS facility.
8. CONTRACTOR will return any undeliverable mail or documents that are not addressable, damaged or that may not fit within their mail back requirements to the ACR by the next business day.
9. CONTRACTOR will return documents that may have been damaged in their automated process with an explanation as to what happened to that document.
10. CONTRACTOR will maintain a stock of approximately 800,000 envelopes to be provided by the County.
11. CONTRACTOR will maintain an inventory on all envelopes provided by the county and submit a monthly written report of remaining inventory in stock.
12. CONTRACTOR will make sure that the documents are mailed out daily. CONTRACTOR is not authorized to destroy any documents. All questionable documents will be returned by CONTRACTOR to the Assessor/Clerk/Recorder (ACR), no later than the next business day.
13. CONTRACTOR shall assume the postage costs of any and all documents that are returned due to the CONTRACTOR or its employee's error.

C. Department of Public Social Services (DPSS)

1. CONTRACTOR will schedule mail to be picked up on a daily basis (Monday through – Friday) from Department of Social Services (DPSS) Mail Center located at 731 Palmyrite, Riverside, California at 5:00 p.m., the locked mail bag(s) containing mail and accompany receipt book, and deliver to the US Post Office located at P.O. Box 19001, San Bernardino, California for processing. CONTRACTOR will insure receipt of mail is recorded by the Post Office and maintain the register book and County mail bags for County use.

2. CONTRACTOR will pick up all the material (Approx. 29,049 Application packets (8) and inserts) before the 10th of each month from the DPSS office located at 731 Palmyrita Street, Riverside, California 92507-1805 upon notification by the County.
3. CONTRACTOR will staple all the required inserts to all eight (8) application packets, put all the application back into each box, place all the boxes on a pallet by application packet, apply a proper label on each pallet to identify each application packet, and store them separately.
4. CONTRACTOR will deliver all eight (8) completed application packets back to DPSS office located at 731 Palmyrita Street, Riverside, California 92507-1805 within two (2) weeks.

Exhibit B
Payment Provision

A. LETTERS (Bulk) -- Daily First Class Mail

	Full Rate	Mxd AADC Rate
Postage per piece	0.485	0.439
Service Charge	0.000	0.020
TOTAL	0.485	0.459

1. **CONTRACTOR will make sure that the current saving remains the same every year for the County, even when USPS changes the Postage Rates structure, which means we may have to adjust the "Labor Rate" every year.**
2. Note: CONTRACTOR has maintained and kept the same savings for the County for last 19 years.
3. Cost represents a 1-2 ounce letter piece. Letter mail is limited to a maximum of 3.3 ounces - automated rate and up to 3.5 ounces - non-automated rate with a maximum thickness of ¼ inch.

B. FLATS (Bulk) -- Daily First Class Flats

	Full Rate	5-Digit Rate
Postage per piece	1.860 (5 oz.) weight	1.342
Additional Postage	N/A	0.407
TOTAL	1.860	1.749

Note: Cost represents a one ounce letter/flat piece. Any letter mail exceeding the ¼ inch thickness, flats ranging from one to 13 ounces but not exceeding ¾ inch thickness. County will meter all the First Class flats at 5-Digit rate, with the additional postage cost, the net savings for County will be \$0.111 per piece.

C. Cost for Standard (Bulk) Mail

County will continue to get the postage discount as low as possible, based on how each mailing will qualify. CONTRACTOR runs all County mail as a standalone job, which saves significant amount of money on postage for the County.

1. Sort and Mail Standard Letter: \$0.023 per piece
2. Sort and Mail Standard Flat: \$0.050 per piece

D. Cost for Services – Auditor/Controller-Recorder (ACR)

1. Labor per piece (Letters) \$0.153 per piece
2. Process: Separate multiple page documents; collate documents, hand fold, hand insert, seal, meter, sort and mail.
3. Labor per piece (Flats) \$0.125 per piece
4. Process: Separate multiple page documents; collate documents, hand insert, seal, meter, sort and mail.
5. Labeling Envelope (Letters / Flats) \$0.030 per piece
(Masking unwanted addresses)

E. COST FOR OTHER SERVICES:

	<u>Service</u>	<u>Service Charges</u>	<u>Unit</u>
1)	Folding	\$0.010	Per Piece
2)	Inserting – Up to 2 inserts	\$0.025	Per Piece
	– Additional	\$0.005 (up to 4 additional)	Per Piece
3)	Inkjet Label Printing	\$0.030	Per Piece
4)	Hand Labeling	\$0.030	Per Piece
5)	Tabbing (1")	\$0.015	Per Piece
6)	Tabbing (1 1/2")	\$0.020	Per Piece
7)	Metering (Letters)	\$0.015	Per Piece
8)	Sealing (Letters)	\$0.010	Per Piece
9)	Metering (Flats)	\$0.025	Per Piece
10)	Sealing (Flats)	\$0.020	Per Piece
11)	Sorting & Mailing (Standard Letters)	\$0.023	Per Piece
12)	Sorting & Mailing (Standard Flats)	\$0.050	Per Piece

F. SPECIAL JOBS:

1)	Hand Fold (Letters)	0.020	Per Sheet
2)	Hand Insert (Letters)	0.020	Per Piece
3)	Hand Insert (Flats)	0.030	Per Piece

G. HAND INSERTING BOOKLET JOBS:

	<u>11 X 17 Pgs.</u>	<u>8-1/2 x 11 Pgs.</u>	<u>Price / Pc</u>
1)	1 – 2 Pgs.	2 – 4 Pgs.	\$0.060
2)	3 – 5 Pgs.	6 – 10 Pgs.	\$0.080
3)	6 – 10 Pgs.	12 – 20 Pgs.	\$0.100
	Each additional page (1 – 11 x 17 Pg. / 2 – 8-1/2 x 11 Pgs.)		\$0.010

H. Cost for Services – DEPARTMENT OF PUBLIC SOCIAL SERVICES (DPSS)

Labor per piece (Application Packets)

\$0.180 per piece

Process: Pickup all application packets and inserts from DPSS office, staple inserts to each application packet, put completed application packet back in the box, place boxes on a pallet, apply labels on each pallet by application packet, and deliver completed application packets back to DPSS office in two weeks.