

**COUNTY OF MENDOCINO  
EXECUTIVE OFFICE/  
CENTRAL SERVICES DIVISION**

501 Low Gap Road, Room 1010 ♦ UKIAH, CA 95482 ♦ (707) 463-4441  
[executiveoffice@co.mendocino.ca.us](mailto:executiveoffice@co.mendocino.ca.us)

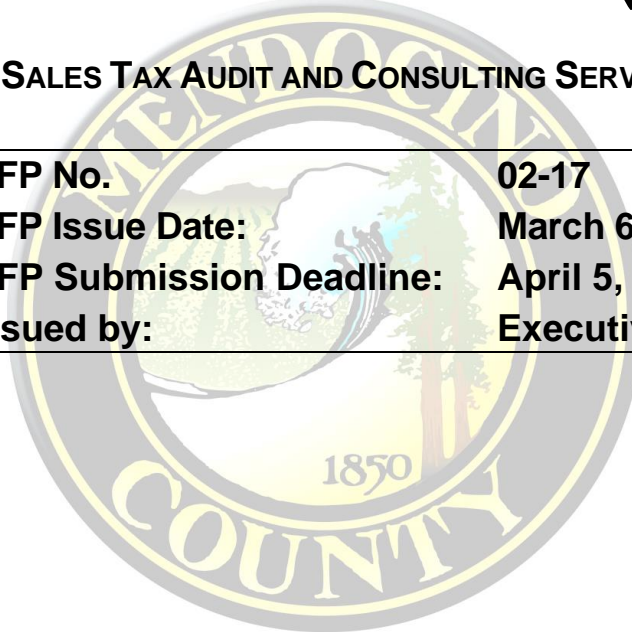
**REQUEST FOR PROPOSAL (RFP)**

**SALES TAX AUDIT AND CONSULTING SERVICES**

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<b>RFP No.</b>	<b>02-17</b>
<b>RFP Issue Date:</b>	<b>March 6, 2017</b>
<b>RFP Submission Deadline:</b>	<b>April 5, 2017</b>
<b>Issued by:</b>	<b>Executive Office</b>

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# REQUEST FOR PROPOSAL

## SALES TAX AUDIT AND CONSULTING SERVICES COUNTY OF MENDOCINO

<b>RFP No.</b>	<b>02-17</b>
<b>RFP Issue Date:</b>	<b>March 6, 2017</b>
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### I. INTENT

This Request for Proposal (RFP) announces the intent of the County of Mendocino to seek the submission of proposals to provide services from any and all interested and qualified proposers for Sales Tax Audit and Consulting Services. The County of Mendocino seeks by way of this RFP to obtain the listed services in a manner that maximizes the quality of services while also maximizing value to the County and, by extension, the citizens of the County. Proposers must be able to show that they are capable of performing the services requested. Such evidence includes, but is not limited to, the respondent's demonstrated competency and experience in delivering services of a similar scope and type and local availability of the proposer's personnel and equipment resources.

The purpose of the RFP is to find a qualified vendor who shall provide the County with tax auditing and consulting services to recover lost sales and use tax revenue. Contractor shall identify and arrange for the collection of taxes from the individuals and businesses that have failed to pay these taxes by not reporting them at all. Or have paid less than that was (or should have been ) billed under reporting them, or to correct errors if they were billed or allocated improperly.

### II. DEFINITIONS

**COUNTY** – The County of Mendocino.

**VENDOR** – A person, partnership, firm, corporation, or joint venture submitting a proposal to obtain a COUNTY contract.

**CONTRACTOR** – A vendor who signs a contract with the COUNTY to perform services.

### III. PROPOSAL SUBMISSION GUIDELINES

- A. Vendors must submit five (5) copies of their proposal: four (4) complete paper copies with original Vendor signature, and one (1) complete copy on CD. The proposal must be formatted in accordance with the instructions of this RFP. Promotional materials may be attached, but are not necessary and will not be considered as meeting any of the requirements of this RFP. Proposals must be enclosed in a sealed envelope or package, clearly marked "Mendocino County RFP No. 02-17", and delivered by 2:00 p.m. April 5, 2017 to:

Mendocino County  
Executive Office/Central Services Division  
Attn: Alan Flora  
501 Low Gap Road, Room 1010  
Ukiah, CA 95482

**Late or facsimile proposals will not be accepted.** It is the proposer's responsibility to assure that its proposal is delivered and received at the location specified herein, on or before the date and hour set. ***Proposals received after the date and time specified will not be considered.*** Note: The unauthorized use of the County's official logo is strictly prohibited.

- B. Proposers are required to submit with their proposal:
- Attachment A – Proposal Summary and Statement of Responsibility (Signature Page)
  - Attachment B – Proposal Checklist/Table of Contents
  - Executive summary of proposal
  - Scope of services
  - Company background and experience
  - Proposal cost plan and narrative (as identified in Section XIII)
  - Attachment C – Exceptions to RFP
  - Attachment D – Letters of Reference
  - Attachment E – Certificate of Non-collusion
  - Insurance coverage/certificate of insurance
  - Acknowledgement of receipt of addenda, if applicable.
- C. Proposers are expected to examine all provisions, specifications, and instructions included in this RFP. Failure to do so will be at the proposer's risk.
- D. All prices and proposals must be typed or written in ink. No erasures are permitted. Errors may be crossed out; corrections may be printed in ink or typed adjacent to the error and initialed in ink by the person authorized to sign the bid. **Facsimile, telephone, electronic or verbal proposals will not be accepted.**
- E. Prices shall be stated in the format as requested herein. Where indicated, vendor shall provide unit of issue and cost per unit. In the event of a discrepancy between the unit price and the extended price for any item, the unit price shall prevail.
- F. All proposals must be dated and signed by a representative authorized to enter into contracts for the proposing vendor.
- G. All proposals will remain in effect and legally binding for at least 90 days from the opening date.

- H. Expenses incurred in preparation of the proposal, site visits, or any other actions related to responding to this RFP shall be the responsibility of the vendor. Any and all damages that may occur due to packaging or shipping of the proposal will be the sole responsibility of the vendor.
- I. All proposals, response inquiries, or correspondence relating to or in reference to this RFP, and all reports, charts, displays, schedules, exhibits and other documentation submitted by vendor shall become the property of the County of Mendocino.
- J. Time when stated as a number of days, shall include Sundays through Saturdays, excluding legal holidays.
- K. Vendor must examine all information and materials contained in and accompanying its proposal. Failure to do so will be at the vendor's risk. This will include, but not be limited to, all relevant laws and regulations of the State of California and the United States Government.
- L. If proposed, the County reserves the right to obtain equipment items through its own purchase programs.
- M. This service has been selected to be made available for use by other local government agencies (piggy-back). The use of the contract, by the other government agencies, will be optional. Sales to these governmental agencies by the Contractor shall be optional. If bidders choose to extend prices offered on this proposal to other governmental agencies, any resulting contract will be solely between the supplier and the third party unit of government. Mendocino County shall not be responsible for any problems which may arise between other government agencies and the contractor as a result of any sales and/or purchases made.
- N. The County of Mendocino encourages all vendors to participate in our ePayables program as our preferred payment method. The County's ePayables program is designed to provide the highest level of efficiency and service to our vendors ensuring that payments are received in a timely cost efficient manner (please refer to Attachment H).

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**IV. PRE-SUBMITTAL INQUIRIES AND POINTS OF CONTACT**

A. Pre-submittal inquiries and correspondence shall be directed to:

- Procedural & Technical inquiries:

Alan Flora  
Executive Office/Central Services Division  
(707) 463-4441  
floraa@co.mendocino.ca.us

B. All questions regarding this RFP shall be submitted in writing (Email or Fax is acceptable).

C. The questions and answers will be provided by the County in writing, in the form of an addendum to all known interested vendor(s) after the inquiry deadline. If any addenda are issued by the County, they shall be sent via facsimile and/or first class U.S. mail to the last known business address of each vendor known to have received a copy of this RFP. **Vendors must include in their proposals acknowledgement of receipt of any and all addenda issued.**

D. The deadline for submitting written inquiries regarding this RFP is indicated in **Section VI SCHEDULE OF ACTIVITIES.**

E. Questions submitted after the inquiry deadline will not be answered. Only answers to questions communicated by formal written addenda will be binding.

F. Mendocino County requires that other Mendocino County management and employees not be contacted by Vendors during the RFP process. **Failure to comply with this requirement may disqualify those proposals from further consideration. Contact is limited to the Mendocino County RFP Representatives listed above for any and all technical and procedural inquiries.**

**V. MODIFICATIONS OR WITHDRAWAL OF PROPOSALS**

A. A proposal that is in the possession of the County may only be altered by letter or facsimile bearing the signature or name of the Vendor's authorized representative, provided it is received **prior to the deadline for submission of proposals.** Telephone, email or verbal alterations will not be accepted.

B. A proposal that is in the possession of the County may be withdrawn by the proposer **up to the time of the deadline for submission of proposals.**

**VI. SCHEDULE OF ACTIVITIES**

The County intends to progress in this procurement in a series of orderly steps. The schedule that follows has been developed in order to provide adequate information for Vendors to prepare definitive Proposals and to permit Mendocino County to fully consider various factors that may affect its decision. **This schedule is subject to change at the discretion of the County. The County will provide sufficient advance notice to vendors in the event of schedule changes.**

Scheduled Activity	Proposed Date
Letter of interest and Request for Proposals mailed to prospective proposers	<b>March 6, 2017</b>
Inquiry Deadline	<b>March 20, 2017</b>
RFP Submission Deadline	<b>April 5, 2017</b>
RFP Selection and Notification	<b>April 28, 2017</b>
County Board of Supervisors Approval (if required)	<b>TBD</b>
Approximate Contract Start Date	<b>June 1, 2017</b>

**VII. SELECTION PROCESS**

- A. The County reserves the sole right to judge the contents of the Vendors' proposals. The selection process will be governed by the following criteria:
1. The proposals must adhere to the instructions and format as specified in this RFP.
  2. The evaluation will include a review of all documents and information relating to the Vendor's services, organizational structure, capabilities, qualifications, past performance, and costs.
  3. Vendors may be required to make an oral presentation and interview before final selection is made.
  4. The County may evaluate any information from any source it deems relevant to the evaluation.
  5. False, incomplete, or unresponsive statements in a proposal may be sufficient cause for its rejection.

**VIII. SELECTION CRITERIA**

- A. The selection of VENDORS(s) and subsequent contract award(s) will be based on the criteria contained in this RFP, and as demonstrated in the submitted proposal. VENDORS(s) should submit information sufficient for the County of Mendocino to easily evaluate proposals with respect to the selection criteria. The absence of

required information may cause the proposal to be deemed non-responsive and may be cause for rejection.

- B. Funding determinations for this RFP will be made through a competitive procurement process and shall be in accordance with all applicable federal, state, and local procurement laws and regulations.
- C. Competitive negotiations require that at least two (2) responsive proposals for the same scope of work and service area must be received in response to an RFP. A competition is considered failed if only one (1) responsive proposal is received. If a competition has been declared failed, the County of Mendocino then has the option to re-compete the procurement or enter into sole-source procurement.
- D. Proposal Review and Evaluation Process
  - 1. The proposal will be judged based on service capabilities and experience of the prospective Vendor and all persons who will be providing services under contract. The following are the critical areas of the proposals that will be evaluated:
    - a. Adequacy of the described plan/approach to deliver requested services as described in Section XI SCOPE OF WORK.
    - b. Experience of Vendor in providing services and quality of work.
    - c. Status of Professional Certification including whether the Vendor meets the minimum requirements to provide service.
    - d. Cost of providing services as outlined in Section XI SCOPE OF WORK.
    - e. All criteria identified in Attachment F, Proposal Evaluation Form.

## **IX. AWARD AND CONTRACT INFORMATION**

- A. The County hereby notifies all proposers that it will affirmatively ensure that minority business enterprises will be afforded full opportunity to submit proposals in response to this invitation, and that no proposer shall be discriminated against on the grounds of age, race, color, sex, religion, creed, national origin, marital status, political affiliation, or disability.
- B. The Vendor agrees that should it be awarded a contract, the Vendor shall not discriminate against any person who performs work thereunder because of age, race, color, sex, religion, creed, national origin, marital status, political affiliation, or disability.

- C. The County reserves the right to reject any or all proposals and to waive any irregularities if deemed in the best interest of the County to do so. The County will select the Vendor whose proposal is determined by the County to be the most responsive and responsible proposal and of the best advantage to the citizens of Mendocino County. The County shall be the sole judge in making such a determination.
- D. The successful Vendor will be required to enter into and sign a formal agreement with the County, which agreement will be in effect for the duration of the contract period. A sample contract is attached to this Request for Proposal as Attachment G. It is the Vendor's responsibility to review the contract's terms and conditions and to state any exceptions to those conditions in its response to the Request for Proposals (Attachment C). If no exceptions are noted, the County will understand that the Vendor agrees to the terms and conditions as stated in the contract.
- E. The terms and conditions of this Request for Proposal as well as the Vendor's proposal, and any modifications to said proposal agreed to in writing by both parties shall become a part of the contract.
- F. Prior to final selection, Vendors may be required to submit any additional information that Mendocino County may deem necessary to determine the Vendor's qualifications. Should any of the information requested by Mendocino County be considered by the Vendor to be confidential, it must be so stated. Mendocino County will attempt to treat any information submitted by the Vendor as confidential if requested to do so; however, Mendocino County cannot ensure such confidentiality.
- G. Open Procurement
1. The Vendor shall include any latitudes, prohibitions or limitations placed on the purchase of the items presented in the Vendor's Proposal. Items and/or services that the Vendor intends to be offered on a unit price basis must be so identified. [The County's objective is to clarify all purchase options.]
  2. Mendocino County reserves the right to negotiate changes to the original Proposal(s), including changes in system cost and/or unit price.
  3. Mendocino County reserves the right to accept or reject any or all Proposals in whole or in part.
  4. Mendocino County reserves the right to negotiate a contract with more than one Vendor at the same time.
- H. Local Vendor Preference:
1. The County of Mendocino has established a local vendor preference. All informal and formal Invitations to Bid and Request for Proposals for contracts are



evaluated with a 5% preference for local vendors. The vendor must claim local vendor preference to be considered (refer to Attachment A – Summary and Statement of Responsibility (Signature Page), Certification No. 6). Please note the following exceptions:

- a. Those contracts which State Law or, other law or regulation precludes this local preference.
  - b. Public Works construction projects.
2. "Local" vendor preference will be approved as such when, 1) Vendor conducts business in an office with a physical location within the County of Mendocino; 2) Vendor holds a valid business license issued by the County of Mendocino, and provides the name of the Local Agency which issued the license; and 3) business has been conducted in such a manner for not less than six (6) months prior to being able to receive the preference, said Vendor provides the business address and how many years the business has been at that location.

## **X. BACKGROUND INFORMATION**

This RFP seeks the submission of proposals to provide services from any and all interested and qualified proposers. The County of Mendocino seeks by way of this RFP to obtain the listed services in a manner that maximizes the quality of services while also maximizing value to the County and, by extension, the citizens of the County. Proposers must be able to show that they are capable of performing the services requested. Such evidence includes, but is not limited to, the respondent's demonstrated competency and experience in delivering services of a similar scope and type and local availability of the proposer's personnel and equipment resources. The intent of this Request for Proposals (RFP) is to find a qualified vendor who shall provide the County with tax auditing and consulting services to recover lost sales and use tax revenue. Contractor shall identify and arrange for the collection of taxes from the individuals and businesses that have failed to pay these taxes by not reporting them at all. Or have paid less than was (or should have been) billed under reporting them, or to correct errors if they were billed or allocated improperly.

During FY 2015-2016, on a cash basis, the County of Mendocino collected \$5.3 million in in Bradley-Burns sales and use taxes, including Triple Flip. The County Executive Office (CEO) and Auditor-Controller, which provides pro-active leadership to the Board (BOS), department heads, and the public through fiscal and administrative policy development and program oversight, is currently seeking a contractor to perform sales and use tax economic analysis and audit recovery services, including Measure A. The description of the scope of work below is a general description to provide applicants with the minimum areas to be addressed by applicant's RFP responses. The Scope of Work is a general guide, and is not intended to reflect a complete list of work.

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**XI. SCOPE OF WORK**

The scope of work for the project includes:

**Sales Tax and Economic Analysis**

1. Provide a special database that identifies the name, address and quarterly allocations of the major sales tax producers within the County for the most current quarters from the date of this Agreement. Major sales tax producers are defined as those businesses meeting a quarterly revenue threshold determined by County. The major producers database should be designed to highlight the activities of major businesses. The database should also show total sales tax receipts for each business category identified by the State Board of Equalization (BOE). This database will be utilized to generate special reports to the County on: major sales tax producers by rank and category, analysis of sales tax activity by category and business districts or redevelopment areas specified by County, analysis of reporting aberrations, and per capita and outlet comparisons with statewide sales.
2. Provide updated reports each quarter identifying changes in sales by major outlets and by category; area growth and decline comparisons; and current graphics, tables, and top 100 listings. Quarterly aberrations due to State audits, fund transfers, and receivables along with late or double payments should be identified.
3. Provide annual reports for the County identifying historical growth comparisons with state, county, selected County averages and C.P.I. indices; top producer listings and make up and volatility of the economic base. Annual reconciliation worksheets to assist the Finance Officers with budget forecasting should also be provided.
4. Make available to County staff the computer program and database containing sellers' permit information for all in-county business outlets registered with the BOE. In addition, contractor shall process for County the monthly registration and allocation files provided by the BOE. Printouts of registration changes and dollars allocated by business name and number should be available upon request from these files on a monthly basis.

**Allocation Audit and Recovery**

1. Conduct sales tax audits in order to identify and correct "point-of-sale" distribution errors and thereby generate previously unrealized sales tax income for the County. Common errors that will be monitored and corrected include: transposition errors resulting in misallocations; erroneous consolidation of multiple outlets; misreporting of "point of sale" from the

- wrong location; delays in reporting new outlets; misidentifying transactions as use tax rather than a sales tax; and erroneous fund transfers and adjustments.
2. Initiate contracts with the appropriate sales management and accounting officials in companies that have businesses, where a probability of error exists to verify whether current tax receipts accurately reflect the local sales activity. Such contracts will be conducted in a manner to encourage local business retention and expansion.
  3. Prepare and submit to the BOE all information necessary to correct any allocation errors that are identified and follow-up with the individual businesses and the BOE to ensure that all back quarter payments due the County are recovered.

**Additive Alternate**

The County would consider additional services as detailed in the list below. Contractors are encouraged to also include in their proposal the following services:

1. Transaction Tax Allocation and Deficiency Audits
2. Cannabis Management Services
3. Property Tax Reporting
4. Transient Occupancy Tax Auditing and Discovery
5. Business License Reporting
6. Economic Development Services

**Ongoing Consultation**

1. Work with County on questions related to tenant mix alternatives for maximum sales tax returns, provide sales tax projections on specific projects for County budget purposes; and provide sample reports, letters and programs to enhance the sales tax base through improved economic development efforts.

**Additional Requirements/Considerations**

The County is seeking to contract with an individual or company that will conduct initial and ongoing sales and use tax audits, including Measure A, for the purpose of identifying and correcting tax-reporting errors and thereby generating new revenue for the County. The successful candidate shall have been regularly and continuously engaged in the business of providing Tax Audit and Consulting Services for at least three (3) years and possess all permits, licenses and professional credentials necessary to supply product and perform services as specified under this RFP. Minimally, proposals shall address the following tasks:

1. **Process:** Establish a process to review County sales and use taxes. Proposals must demonstrate familiarity with sales and use tax and its authorizing legislation. Describe the methods used on a cyclical basis for targeting potential tax reporting errors and follow-up processes used to correct those errors. List any software and/or hardware requirements. Report how these techniques and systems have worked with other government agencies, and anticipate any differences or potential problems in transferring this existing technology to the County.
2. **Revenue Flow:** Proposals must demonstrate a thorough understanding of sales and use tax revenue flow. Submissions shall provide a written description, with an optional flow chart of all case study parameters, explaining how revenues will be screened or filtered to reveal errors. Proposals shall explain how the proposed system is comprehensive in scope.
3. **Accuracy:** Proposals must demonstrate an ability to determine the accuracy of sales and use tax allocations. Proposals shall provide a mathematical model that will calculate the correct billable tax rate for the entire scope of County populace taxpayers.
4. **History and Distribution:** Proposals must demonstrate the candidate's ability to establish a database that identifies the appropriate County taxpayers by name, address, and period allocations (monthly, quarterly, annually, etc.) for the most current and previous four (4) quarters. Proposals must also demonstrate the candidate's ability to establish a database that covers the same periods, showing total tax receipts paid to the County for each category identified by the BOE. The County would prefer a single database containing both history and distribution.
5. **External Corrections:** Contractor shall represent the County before the BOE in order to correct the allocation errors and increase the County's revenue when it is determined that the County is receiving less money than it would if the allocations were properly made. Proposal must demonstrate how the proposed system will identify and correct common mistakes, such

as but not limited to: transposition errors resulting in misallocation of funds, erroneous consolidation of multiple outlets, misreporting of "point-of-sale" from the wrong location, delays in reporting new outlets, incorrectly identifying transactions as a use tax rather than a sales tax, and erroneous fund transfers and adjustments. Contractor responsibilities shall include preparation and submittal to the BOE all information necessary to correct any allocation errors that are identified, and follow up with the individual businesses and the BOE to ensure that all backquarter payments due to the County are recovered.

6. **Internal Corrections:** Contractor shall identify and correct distribution errors by initiating and conducting ongoing sales and use tax audits to generate unrealized tax income for the County. Proposals shall demonstrate how the proposed system will identify and distinguish between:
  - i. Unreported taxes,
  - ii. Under-reported taxes, and
  - iii. Improperly reported taxes.
7. **Projections:** Contractor shall assist the County by providing sales and use tax projections, including Measure A and Public Safety Sales Tax (Prop. 172). Proposals shall include samples of tax projections provided to other clients if available. In addition, proposals shall describe pre-defined parameters (if any), restrictions (if any), and established forecast accuracy (if any).
8. **Reports:** Proposals shall include sample reports. Such reports may include, but are not limited to the following:
  - i. Sorting of major tax producers by rank and category;
  - ii. Analysis of tax activity by category and business locations;
  - iii. Analysis or reporting aberrations;
  - iv. Changes in taxes by major players and categories, area growth and decline comparisons, and top 100 listings;
  - v. Historical growth comparisons with state, county, and CPI indices, top producer listings, and make up and volatility of the economic base, including predetermined geographic areas and business/industry gap analysis; and
  - vi. Annual worksheets to assist with budget forecasting, including Bradley-Burns, Measure A and Public Safety Sales Tax (Prop 172).
9. **Advice:** Contractor shall advise County what the most important sources of revenue are, and explain why they are the most important. Contractor shall work with County staff to utilize these reports in order to improve collection revenue. Contractor shall provide sales and use tax projections on specific projects for

redevelopment negotiation and County budget purposes. Proposals shall provide sample reports, letters, and programs that demonstrate the Candidate's ability to enhance the sales tax base through improved economic development efforts.

10. **Implementation:** Candidates shall provide a plan to implement their processes. Plans shall include a flow chart and a schedule of timelines with itemized goals, including but not limited to first period of review, first period review results, first billing cycle, first invoice due date, and first quarterly report due.

## **XII. PROPOSAL FORMAT AND CONTENT**

**Proposals submitted in response to this RFP should include the following elements and are to be completed in accordance with the information and outline contained in Attachment B – Proposal Check List/Table of Contents:**

- A. An executive summary and written narrative, including a detailed description of your organization's experience, qualifications and commitment to the project, addressing the below listed elements at a minimum: Experience, stability & growth, commitment, product and services.
- B. A description of the process/approach to be used in providing the services described in Sections XI – Scope of Work. Be specific and address all elements, including but not limited to, descriptions for all system modules.
- C. A description of Contractor's experience in providing the requested services.
- D. A description of the experience/qualifications of all persons who may perform services under contract, including staff resumes that cover all experience and educational background. All personal information provided will be maintained in confidence as allowed by law.
- E. Upon specific request of the County, Vendor shall provide consent and waiver forms permitting County to obtain personal employment/professional qualification information about Contractor who may perform services under this contract from third parties, and releasing third parties from any and all liability for disclosing such information to County.
- F. Any exceptions to the terms and conditions as specified in Attachment G to this RFP. The terms and conditions not specifically identified will be considered acceptable to Contractor.
- G. Two (2) letters of reference for the County to contact, including contact name, phone number, and address (to be listed in Attachment D of this RFP). These references should be organizations with which Contractor has worked to provide services.

- H. A list of key personnel, including full name, position, licenses or degrees held and a brief summary of relevant experience as related to proposed services; organization chart; list of Board of Directors (if applicable); licenses (where appropriate).
- I. Timeline indicating implementation schedule and training schedule (if applicable).
- J. Additional documents or other material, as appendices, in support of the proposal. The proposal, however, must reference any additional material or documentation on Attachment B – Proposal Checklist/Table of Contents.

### **XIII. FORMAT OF COST PROPOSAL**

The Vendor must itemize all costs, including per hour costs, chargeable to the County as described in this Section, in the separate Cost Proposal. Prices quoted shall be valid for at least ninety (90) days following the proposal submission deadline and if a contract is entered into as a result of this RFP, shall become fixed for the term of the contract.

The County shall be the sole arbiter in the determination of equality. The County reserves the right to reject any proposals and to accept the proposal or proposals which in its sole and absolute judgment shall, under all circumstances, best serve the interests of the County.

### **XIV. CONTRACT**

- A. Time is of the essence in awarding the contract. The County reserves the right to cancel any intent to award and proceed to the next vendor if the selected vendor has not signed the agreement within two (2) weeks after the notification of intent of award.
- B. Execution of Contract
  - 1. Upon the acceptance of a Vendor's Proposal, County will prepare and submit a contract to the successful Vendor for signature. (See sample contract, as Attachment G, which contains required contractual language.) In the event that the successful Vendor fails, neglects or refuses to execute the contract within two (2) weeks after receiving a copy of the contract from County, County may at its option terminate and cancel its action in awarding the contract and the contract shall become null and void and of no effect.
  - 2. Incorporated by reference into the contract which is to be entered into by County and the successful Vendor pursuant to this Proposal will be (a) all of the information presented in or with this Proposal and the Vendor's response thereto, and (b) all written communications between County and the successful Vendor whose Proposal is accepted.

**C. No Assignment**

Assignment by the successful Contractor to any third party of any contract based on the Proposal or any monies due shall be absolutely prohibited and will not be recognized by County unless approved in advance by County in writing.

**D. Force Majeure**

Neither party shall be liable to the other for any failure or delay in rendering performance arising out of causes beyond its control and without its fault or negligence. Such causes may include, but not be limited to, acts of God or the public enemy, freight embargoes, and unusually severe weather; but the failure or delay must be beyond its control and without its fault or negligence. Dates or times of performance will be extended to the extent of delays excused by this section, provided that the party whose performance is affected notifies the other promptly of the existence and nature of such delay.

**E. Contract Term**

The term of the AGREEMENT(s) will be for a period of (3) year(s) with the option to extend the AGREEMENT(s) up to (2) additional one-year periods.

**F. Insurance**

Prior to commencement of this AGREEMENT, the CONTRACTOR(s) shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition, the CONTRACTOR(s) upon request shall provide a certified copy of the policy or policies. Refer to Exhibit C (Insurance Requirements) of Attachment G, Sample Mendocino County Contract.

**XVI. REJECTION OF PROPOSALS**

The RFP does not commit the County to award a contract, to pay any costs incurred in the preparation of the proposal to this request, or to procure or contract for services or supplies. The County reserves the right to accept or reject any or all proposals received as a result of this request, to negotiate with any qualified source, or to cancel the RFP in part or in its entirety, if it is in the best interest of the County to do so. The County may require the proposer selected to participate in negotiations, and to submit such proposal as may result from negotiations.

Any proposal submitted during this RFP process becomes the property of the County. The County will not be liable for nor pay costs incurred by the respondent in the preparation of a response to this RFP or any other costs involved including travel. The selected contractor will be required to obtain a County business license if not already held.



**XVII. GENERAL CONDITIONS**

While the intent of the County is to award the contract to the selected Vendor, it reserves the right to both either withdraw and/or not award a contract at any time it so desires. Costs incurred in the preparation of response to this RFP will not be reimbursed.

The County has a standard contract service agreement. The successful firm will be required to agree to the terms contained within. Any issues with the insurance coverage or terms of the standard contract service agreement should be mentioned in the response to the Request for Proposals and documented in detail in Attachment C – Exceptions to RFP.

Limitations

- 1) The Vendor should expect to have access only to the public records and public files of local government agencies in preparing the proposal or reports. The Vendor should not anticipate any compilation, tabulation, or analysis of data, definition or opinion, etc., unless volunteered by a responsible official of that agency.
- 2) The County has the authority to terminate the contract upon written notice to the Vendor at any time during the period of the project if the County finds that the Vendor's performance is not satisfactory (as specified in Attachment G – Sample Mendocino County Contract, paragraph 19).
- 3) Contract payments will be made on the basis of satisfactory performance by the Vendor as determined by the County. Final payment to the Vendor will only be made when the County finds that the work performed by the Vendor to be satisfactory and the final work product and documents submitted meet the tasks of the project and is accepted by the County.

**XVIII. LIST OF ATTACHMENTS**

Attachment A – Proposal Summary and Statement of Responsibility (Signature Page)  
Attachment B – Proposal Checklist/Table of Contents  
Attachment C – Exceptions to RFP  
Attachment D – Letters of Reference  
Attachment E – Certificate of Non-collusion  
Attachment F – Proposal Evaluation Form  
Attachment G – Sample Mendocino County Contract  
Attachment H – Mendocino County ePayables Information

**ATTACHMENT A  
PROPOSAL SUMMARY AND STATEMENT OF RESPONSIBILITY (SIGNATURE PAGE)****County of Mendocino  
Executive Office/Central Services Division****RFP No. 02-17  
Sales Tax Audit and Consulting Services**

<b>RFP No.</b>	<b>02-17</b>
<b>RFP Issue Date:</b>	<b>March 6, 2017</b>
<b>RFP Submission Deadline:</b>	<b>April 5, 2017</b>

Proposals must be enclosed in a sealed envelope or package, clearly marked "Mendocino County RFP No.02-17", and delivered by 2:00 p.m. April 5, 2017 to: Mendocino County, Executive Office, Attn: Alan Flora, 501 Low Gap Road, Room 1010, Ukiah, CA 95482.

**Questions regarding this RFP should be directed to:**

- Procedural & Technical inquiries:

Alan Flora  
Executive Office/Central Services Division  
(707) 463-4441  
floraa@co.mendocino.ca.us

**This Proposal Summary and Statement of Responsibility (Signature Page) must be included with your submittal in order to validate your proposal. Proposals submitted without this page will be deemed non-responsive.**

**Vendor Authorized Representative**

Company Name:	_____	Date:	_____
Representative:	_____		
Title:	_____		
Phone:	_____		
Address:	_____	Fax:	_____
Federal Tax ID No.:	_____	Email:	_____

**RFP Contact Information (if different then above)**

Contact Person:	_____		
Title:	_____		
Phone:	_____	Fax:	_____
Address:	_____	Email:	_____

**Certifications:**

1. Do you agree to comply with specifications, RFP instructions, draft contract requirements and other pertinent references contained in this RFP?  
☐ YES    ☐ NO
2. Do you agree that the proposal will stand firm and will not be withdrawn for a period of 90 days after the proposal is opened?  
☐ YES    ☐ NO
3. Do you certify that all statements in the proposal are true? This shall constitute a warranty, the falsity of which shall entitle the County to pursue any remedy authorized by law, and shall include the right, at the option of the County, of declaring any contract made as a result thereof to be void.  
☐ YES    ☐ NO
4. Do you agree to provide the County with any other information the County determines is necessary for accurate determination of your qualifications to provide services?  
☐ YES    ☐ NO
5. Do you agree that the proposal amount includes all costs incident to the proposed contract?  
☐ YES    ☐ NO
6. The County of Mendocino has adopted a Local Vendor Preference. Does your company meet the criteria for the five percent cost preference as a local vendor for the County of Mendocino, as described in Section IX(H)(2) AWARD AND CONTRACTING INFORMATION?  
☐ YES    ☐ NO
7. Do you agree to be an ePayable as described in Attachment H?  
☐ YES    ☐ NO

To the best of my knowledge and belief, the information provided in this initial determination of responsibilities is true and correct.

Authorized Representative: \_\_\_\_\_  
(Printed name)

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

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

**ATTACHMENT B  
PROPOSAL CHECK LIST/TABLE OF CONTENTS**

This proposal checklist identifies the various components that must be submitted with your proposal. This form is to be completed and included in the proposal and must be located directly behind Attachment A.

Follow this sequence in presenting your proposal with the checklist serving as your table of contents.

<b>Proposal Check List/Table of Contents</b>	<b>Page No.</b>
Signature Page, signed by authorized representative (RFP Attachment A)	
Proposal Check List/Table of Contents (RFP Attachment B)	
Executive Summary	
Scope of Services (in relation to providing services described in Section XI, Scope of Work)	
Company Background and Experience (including staff resumes)	
Proposal Cost Plan and Narrative	
Exceptions to the RFP (RFP Attachment C)	
Letters of Reference (minimum of two (2)) (RFP Attachment D)	
Certificate of Non-Collusion, signed by authorized representative (RFP Attachment E)	
Insurance Coverage (Certificate of Insurance)	

## ATTACHMENT C EXCEPTIONS TO RFP

Company Name: \_\_\_\_\_

Representative: \_\_\_\_\_

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

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

I have reviewed the RFP and General Contract Terms in their entirety and have the following exceptions: (Please identify and list your exceptions by indicating the section or paragraph and page no. as applicable. Be specific about your proposed exception(s) to content, language, or omissions. Add as many pages as required.)

[illegible]

Authorized Representative: \_\_\_\_\_

(Printed name)

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

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

**ATTACHMENT D  
LETTERS OF REFERENCE**

Please list the references (minimum of two (2)) in the section provided below and attach corresponding letters to this form.

<b>Agency</b>	<b>Contact Name/Address</b>	<b>Phone No.</b>	<b>Dates Services Provided (From/Through)</b>

**ATTACHMENT E  
CERTIFICATE OF NON-COLLUSION**

The undersigned certifies, under penalty of perjury, that this proposal has been made in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club, or other organization, entity, or group of individuals.

\_\_\_\_\_  
(Name of Proposer)

\_\_\_\_\_  
(Signature of Authorized Agent)

\_\_\_\_\_, 2017  
Date

**ATTACHMENT F**  
**COUNTY OF MENDOCINO SAMPLE PROPOSAL EVALUATION FORM**  
**RFP No. 02-17**  
**Sales Tax Audit and Consulting Services**

Vendor Name: \_\_\_\_\_

Evaluated By: \_\_\_\_\_

A.	Completeness of Response	Pass/Fail	
B.	Financial Stability	Pass/Fail	
C.	Technical Criteria	Pass/Fail	

NOTE: In the event that the proposal rates a 'Fail' on any of the above, please seek the guidance of the Executive Office.

		Weight	*Rating Scale	Points Total
D.	Cost	15 points		
E.	Implementation Plan and Schedule	35 points		
F.	Relevant Experience	25 points		
G.	References	10 points		
H.	Overall Proposal	15 points		

Evaluation Total (Maximum 500)		
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Comments:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Scoring: (To be performed by the Executive Office/Purchasing Agent)**

Weight          X          \*Rating (per Scale)          =          Points Total

\*Rating Scale: 5 = Excellent    4 = Above Average    3 = Average    2 = Fair    1 = Poor    0 = Unacceptable



**ATTACHMENT G – SAMPLE AGREEMENT****COUNTY OF MENDOCINO  
STANDARD SERVICES AGREEMENT**

This Agreement, dated as of \_\_\_\_\_, 2017, is by and between the COUNTY OF MENDOCINO, hereinafter referred to as the “COUNTY”, and \_\_\_\_\_, hereinafter referred to as the “CONTRACTOR”.

**WITNESSETH**

WHEREAS, pursuant to Government Code Section 31000, COUNTY may retain independent contractors to perform special services to or for COUNTY or any department thereof; and,

WHEREAS, COUNTY desires to obtain CONTRACTOR for its [Services]; and,

WHEREAS, CONTRACTOR is willing to provide such services on the terms and conditions set forth in this AGREEMENT and is willing to provide same to COUNTY.

NOW, THEREFORE it is agreed that COUNTY does hereby retain CONTRACTOR to provide the services described in Exhibit “A”, and CONTRACTOR accepts such engagement, on the General Terms and Conditions hereinafter specified in this Agreement, the Additional Provisions attached hereto, and the following described exhibits, all of which are incorporated into this Agreement by this reference:

Exhibit A	Definition of Services
Exhibit B	Payment Terms
Exhibit C	Insurance Requirements

The term of this Agreement shall be from \_\_\_\_\_, 20\_\_\_\_ through  
\_\_\_\_\_, 20\_\_\_\_.

**The compensation payable to CONTRACTOR hereunder shall not exceed [Spelled out Contract Amount] (\$[Numerical Amount]) for the term of this Agreement.**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**DEPARTMENT FISCAL REVIEW:**

DEPARTMENT HEAD \_\_\_\_\_ DATE \_\_\_\_\_

Budgeted: ☐ Yes ☐ No

Budget Unit: \_\_\_\_\_

Line Item: \_\_\_\_\_

Grant: ☐ Yes ☐ No

Grant No.: \_\_\_\_\_

**COUNTY OF MENDOCINO**By: \_\_\_\_\_  
DAN GJERDE, Chair  
BOARD OF SUPERVISORS**ATTEST:**

CARMEL J. ANGELO, Clerk of said Board

By: \_\_\_\_\_  
Deputy

I hereby certify that according to the provisions of  
Government Code Section 25103, delivery of this  
document has been made.

CARMEL J. ANGELO, Clerk of said Board

By: \_\_\_\_\_  
Deputy**CONTRACTOR/COMPANY NAME**

By: \_\_\_\_\_

NAME AND ADDRESS OF CONTRACTOR:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By signing above, signatory warrants and represents  
that he/she executed this Agreement in his/her  
authorized capacity and that by his/her signature on  
this Agreement, he/she or the entity upon behalf of  
which he/she acted, executed this Agreement

**COUNTY COUNSEL REVIEW:**

APPROVED AS TO FORM:

KATHARINE L. ELLIOTT,  
County CounselBy: \_\_\_\_\_  
Deputy**INSURANCE REVIEW:**

RISK MANAGER

By: \_\_\_\_\_  
ALAN D. FLORA, Risk Manager**FISCAL REVIEW:**By: \_\_\_\_\_  
Deputy CEO/Fiscal**EXECUTIVE OFFICE REVIEW:**

APPROVAL RECOMMENDED

By: \_\_\_\_\_  
CARMEL J. ANGELO, Chief Executive Officer

**Signatory Authority:** \$0-25,000 Department; \$25,001- 50,000 Purchasing Agent; **\$50,001+ Board of Supervisors**  
**Exception to Bid Process Required/Completed** ☐ \_\_\_\_\_

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**GENERAL TERMS AND CONDITIONS**

1. **INDEPENDENT CONTRACTOR:** No relationship of employer and employee is created by this Agreement; it being understood and agreed that CONTRACTOR is an Independent Contractor. CONTRACTOR is not the agent or employee of the COUNTY in any capacity whatsoever, and COUNTY shall not be liable for any acts or omissions by CONTRACTOR nor for any obligations or liabilities incurred by CONTRACTOR.

CONTRACTOR shall have no claim under this Agreement or otherwise, for seniority, vacation time, vacation pay, sick leave, personal time off, overtime, health insurance medical care, hospital care, retirement benefits, social security, disability, Workers' Compensation, or unemployment insurance benefits, civil service protection, or employee benefits of any kind.

CONTRACTOR shall be solely liable for and obligated to pay directly all applicable payroll taxes (including federal and state income taxes) or contributions for unemployment insurance or old age pensions or annuities which are imposed by any governmental entity in connection with the labor used or which are measured by wages, salaries or other remuneration paid to its officers, agents or employees and agrees to indemnify and hold County harmless from any and all liability which COUNTY may incur because of CONTRACTOR's failure to pay such amounts.

In carrying out the work contemplated herein, CONTRACTOR shall comply with all applicable federal and state workers' compensation and liability laws and regulations with respect to the officers, agents and/or employees conducting and participating in the work; and agrees that such officers, agents, and/or employees will be considered as Independent Contractors and shall not be treated or considered in any way as officers, agents and/or employees of COUNTY.

CONTRACTOR does, by this Agreement, agree to perform his/her said work and functions at all times in strict accordance with all applicable federal, state and County laws, including but not limited to prevailing wage laws, ordinances, regulations, titles, departmental procedures and currently approved methods and practices in his/her field and that the sole interest of COUNTY is to ensure that said service shall be performed and rendered in a competent, efficient, timely and satisfactory manner and in accordance with the standards required by the County agency concerned.

Notwithstanding the foregoing, if the COUNTY determines that pursuant to state and federal law CONTRACTOR is an employee for purposes of income tax withholding, COUNTY may upon two (2) week's written notice to CONTRACTOR, withhold from payments to CONTRACTOR hereunder federal and state income taxes and pay said sums to the federal and state governments.

2. **INDEMNIFICATION:** CONTRACTOR shall indemnify, defend, and hold harmless the COUNTY, its officers, agents, and employees, from and against any and all claims,

liabilities, and losses whatsoever including damages to property and injuries to, or death of persons, reasonable attorney's fees, expert fees and court costs occurring or resulting, or alleged to be occurring or resulting, to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connections with the CONTRACTOR'S performance or its obligations under this AGREEMENT, and from any and all claims, liabilities, and losses occurring or resulting, or alleged to be occurring or resulting, to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR'S performance of its obligations under this AGREEMENT, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of COUNTY. "CONTRACTOR'S performance" includes CONTRACTOR'S action or inaction and the action or inaction of CONTRACTOR'S officers, employees, agents and subcontractors.

3. **INSURANCE AND BOND:** CONTRACTOR shall at all times during the term of the Agreement with the COUNTY maintain in force those insurance policies and bonds as designated in the attached Exhibit C, and will comply with all those requirements as stated therein.
4. **WORKERS' COMPENSATION:** CONTRACTOR shall provide Workers' Compensation insurance, as applicable, at CONTRACTOR's own cost and expense and further, neither the CONTRACTOR nor its carrier shall be entitled to recover from COUNTY any costs, settlements, or expenses of Workers' Compensation claims arising out of this Agreement.
5. **CONFORMITY WITH LAW AND SAFETY:**
  - a. In performing services under this Agreement, CONTRACTOR shall observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, municipal, and local governing bodies, having jurisdiction over the scope of services, including all applicable provisions of the California Occupational Safety and Health Act. CONTRACTOR shall indemnify and hold COUNTY harmless from any and all liability, fines, penalties and consequences from any of CONTRACTOR's failures to comply with such laws, ordinances, codes and regulations.
  - b. **Accidents:** If a death, serious personal injury or substantial property damage occurs in connection with CONTRACTOR's performance of this Agreement, CONTRACTOR shall immediately notify Mendocino County Risk Manager's Office by telephone. CONTRACTOR shall promptly submit to COUNTY a written report, in such form as may be required by COUNTY of all accidents which occur in connection with this Agreement. This report must include the following information: (1) name and address of the injured or deceased person(s); (2) name and address of CONTRACTOR's sub-contractor, if any; (3) name and address of CONTRACTOR's liability insurance carrier; and (4) a detailed description of the accident and whether any of COUNTY's equipment, tools, material, or staff were involved.

- c. CONTRACTOR further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the COUNTY the opportunity to review and inspect such evidence, including the scene of the accident.
6. PAYMENT: For services performed in accordance with this Agreement, payment shall be made to CONTRACTOR as provided in Exhibit "B" hereto as funding permits.
7. TAXES: Payment of all applicable federal, state, and local taxes shall be the sole responsibility of the CONTRACTOR.
8. OWNERSHIP OF DOCUMENTS: CONTRACTOR hereby agrees to provide to a private, not-for-profit, successor and if there is none then assigns the COUNTY and its assignees all copyright and other use rights in any and all proposals, plans, specification, designs, drawings, sketches, renderings, models, reports and related documents (including computerized or electronic copies) respecting in any way the subject matter of this Agreement, whether prepared by the COUNTY, the CONTRACTOR, the CONTRACTOR's subcontractors or third parties at the request of the CONTRACTOR (collectively, "Documents and Materials"). This explicitly includes the electronic copies of all above stated documentation.

CONTRACTOR shall be permitted to retain copies, including reproducible copies and computerized copies, of said Documents and Materials. CONTRACTOR agrees to take such further steps as may be reasonably requested by COUNTY to implement the aforesaid assignment. If for any reason said assignment is not effective, CONTRACTOR hereby grants the COUNTY and any assignee of the COUNTY an express royalty – free license to retain and use said Documents and Materials. The COUNTY's rights under this paragraph shall apply regardless of the degree of completion of the Documents and Materials and whether or not CONTRACTOR's services as set forth in Exhibit "A" of this Agreement have been fully performed or paid for.

CONTRACTOR shall pay all royalties and license fees which may be due for any patented or copyrighted materials, methods or systems selected by the CONTRACTOR and incorporated into the work as set forth in Exhibit "A", and shall defend, indemnify and hold the COUNTY harmless from any claims for infringement of patent or copyright arising out of such selection.

The COUNTY's rights under this Paragraph 8 shall not extend to any computer software used to create such Documents and Materials.

9. CONFLICT OF INTEREST: The CONTRACTOR covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of services required under this Agreement.

10. NOTICES: All notices, requests, demands, or other communications under this Agreement shall be in writing. Notices shall be given for all purposes as follows:

Personal delivery: When personally delivered to the recipient, notices are effective on delivery.

First Class Mail: When mailed first class to the last address of the recipient known to the party giving notice, notice is effective three (3) mail delivery days after deposit in a United States Postal Service office or mailbox. Certified Mail: When mailed certified mail, return receipt requested, notice is effective on receipt, if delivery is confirmed by a return receipt.

Overnight Delivery: When delivered by overnight delivery (Federal Express/Airborne/United Parcel Service/DHL WorldWide Express) with charges prepaid or charged to the sender's account, notice is effective on delivery, if delivery is confirmed by the delivery service.

Facsimile transmission: When sent by facsimile to the facsimile number of the recipient known to the party giving notice, notice is effective on receipt, provided that, (a) a duplicate copy of the notice is promptly given by first-class or certified mail or by overnight delivery, or (b) the receiving party delivers a written confirmation of receipt. Any notice given facsimile shall be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

To COUNTY: COUNTY OF MENDOCINO

Ukiah, CA 95482

Attn:

To CONTRACTOR: [Name of Contractor]  
[Number and Street]  
[City, State, Zip Code]  
ATTN:

Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be deemed effective as of the first date that said notice was refused, unclaimed, or deemed undeliverable by the postal authorities, messenger, or overnight delivery service.

Any party may change its address or facsimile number by giving the other party notice of the change in any manner permitted by this Agreement.

11. USE OF COUNTY PROPERTY: CONTRACTOR shall not use County property (including equipment, instruments and supplies) or personnel for any purpose other than in the performance of his/her obligations under this Agreement.
12. EQUAL EMPLOYMENT OPPORTUNITY PRACTICES PROVISIONS: CONTRACTOR certifies that it will comply with all federal and state laws pertaining to equal employment opportunity and that it shall engage in any unlawful discrimination.
  - a. CONTRACTOR shall, in all solicitations or advertisements for applicants for employment placed as a result of this Agreement, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, creed, color, disability, sex, sexual orientation, national origin, age, religion, Veteran's status, political affiliation, or any other non-merit factor.
  - b. CONTRACTOR shall, if requested to so do by the COUNTY, certify that it has not, in the performance of this Agreement, engaged in any unlawful discrimination.
  - c. If requested to do so by the COUNTY, CONTRACTOR shall provide the COUNTY with access to copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.
  - d. Nothing contained in this Agreement shall be construed in any manner so as to require or permit any act which is prohibited by law.
  - e. The CONTRACTOR shall include the provisions set forth in this paragraph in each of its subcontracts.
13. DRUG-FREE WORKPLACE: CONTRACTOR and CONTRACTOR's employees shall comply with the COUNTY's policy of maintaining a drug-free workplace. Neither CONTRACTOR nor CONTRACTOR's employees shall unlawfully manufacture, distribute, dispense, possess or use controlled substances, as defined in 21 U.S. Code § 812, including, but not limited to, marijuana, heroin, cocaine, and amphetamines, at any COUNTY facility or work site. If CONTRACTOR or any employee of CONTRACTOR is convicted or pleads *nolo contendere* to a criminal drug statute violation occurring at a County facility or work site, the CONTRACTOR, within five days thereafter, shall notify the head of the County department/agency for which the contract services are performed. Violation of this provision shall constitute a material breach of this Agreement.
14. ENERGY CONSERVATION: CONTRACTOR agrees to comply with the mandatory standards and policies relating to energy efficiency in the State of California Energy Conservation Plan, (Title 24, California Administrative Code).
15. COMPLIANCE WITH LICENSING REQUIREMENTS: CONTRACTOR shall comply with all necessary licensing requirements and shall obtain appropriate licenses and display the

same in a location that is reasonably conspicuous, as well as file copies of same with the County Executive Office.

16. **AUDITS; ACCESS TO RECORDS:** The CONTRACTOR shall make available to the COUNTY, its authorized agents, officers, or employees, for examination any and all ledgers, books of accounts, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to the expenditures and disbursements charged to the COUNTY, and shall furnish to the COUNTY, within sixty (60) days after examination, its authorized agents, officers or employees such other evidence or information as the COUNTY may require with regard to any such expenditure or disbursement charged by the CONTRACTOR.

The CONTRACTOR shall maintain full and adequate records in accordance with County requirements to show the actual costs incurred by the CONTRACTOR in the performance of this Agreement. If such books and records are not kept and maintained by CONTRACTOR within the County of Mendocino, California, CONTRACTOR shall, upon request of the COUNTY, make such books and records available to the COUNTY for inspection at a location within County or CONTRACTOR shall pay to the COUNTY the reasonable, and necessary costs incurred by the COUNTY in inspecting CONTRACTOR's books and records, including, but not limited to, travel, lodging and subsistence costs. CONTRACTOR shall provide such assistance as may be reasonably required in the course of such inspection. The COUNTY further reserves the right to examine and reexamine said books, records and data during the four (4) year period following termination of this Agreement or completion of all work hereunder, as evidenced in writing by the COUNTY, and the CONTRACTOR shall in no event dispose of, destroy, alter, or mutilate said books, records, accounts, and data in any manner whatsoever for four (4) years after the COUNTY makes the final or last payment or within four (4) years after any pending issues between the COUNTY and CONTRACTOR with respect to this Agreement are closed, whichever is later.

17. **DOCUMENTS AND MATERIALS:** CONTRACTOR shall maintain and make available to COUNTY for its inspection and use during the term of this Agreement, all Documents and Materials, as defined in Paragraph 8 of this Agreement. CONTRACTOR's obligations under the preceding sentence shall continue for four (4) years following termination or expiration of this Agreement or the completion of all work hereunder (as evidenced in writing by COUNTY), and CONTRACTOR shall in no event dispose of, destroy, alter or mutilate said Documents and Materials, for four (4) years following the COUNTY's last payment to CONTRACTOR under this Agreement.
18. **TIME OF ESSENCE:** Time is of the essence in respect to all provisions of this Agreement that specify a time for performance; provided, however, that the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Agreement.
19. **TERMINATION:** The COUNTY has and reserves the right to suspend, terminate or abandon the execution of any work by the CONTRACTOR without cause at any time upon



giving to the CONTRACTOR prior written notice. In the event that the COUNTY should abandon, terminate or suspend the CONTRACTOR's work, the CONTRACTOR shall be entitled to payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment. Said payment shall be computed in accordance with Exhibit B hereto, provided that the maximum amount payable to CONTRACTOR for its [Services] shall not exceed \$[Contract Amount] payment for services provided hereunder prior to the effective date of said suspension, termination or abandonment or lack of funding.

20. NON APPROPRIATION: If COUNTY should not appropriate or otherwise make available funds sufficient to purchase, lease, operate or maintain the products set forth in this Agreement, or other means of performing the same functions of such products, COUNTY may unilaterally terminate this Agreement only upon thirty (30) days written notice to CONTRACTOR. Upon termination, COUNTY shall remit payment for all products and services delivered to COUNTY and all expenses incurred by CONTRACTOR prior to CONTRACTOR'S receipt of the termination notice.
21. CHOICE OF LAW: This Agreement, and any dispute arising from the relationship between the parties to this Agreement, shall be governed by the laws of the State of California, excluding any laws that direct the application of another jurisdiction's laws.
22. VENUE: All lawsuits relating to this contract must be filed in Mendocino County Superior Court, Mendocino County, California.
23. WAIVER: No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right or remedy. No waiver of any breach, failure, right or remedy shall be deemed a waiver of any other breach, failure, right or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.
24. ADVERTISING OR PUBLICITY: CONTRACTOR shall not use the name of County, its officers, directors, employees or agents, in advertising or publicity releases or otherwise without securing the prior written consent of COUNTY in each instance.
25. ENTIRE AGREEMENT: This Agreement, including all attachments, exhibits, and any other documents specifically incorporated into this Agreement, shall constitute the entire agreement between COUNTY and CONTRACTOR relating to the subject matter of this Agreement. As used herein, Agreement refers to and includes any documents incorporated herein by reference and any exhibits or attachments. This Agreement supersedes and merges all previous understandings, and all other agreements, written or oral, between the parties and sets forth the entire understanding of the parties regarding the subject matter thereof. This Agreement may not be modified except by a written document signed by both parties.

- 
26. HEADINGS: Herein are for convenience of reference only and shall in no way affect interpretation of this Agreement.
27. MODIFICATION OF AGREEMENT: This Agreement may be supplemented, amended or modified only by the mutual agreement of the parties. No supplement, amendment or modification of this Agreement shall be binding unless it is in writing and signed by authorized representatives of both parties.
28. ASSURANCE OF PERFORMANCE: If at any time the COUNTY has good objective cause to believe CONTRACTOR may not be adequately performing its obligations under this Agreement or that CONTRACTOR may fail to complete the Services as required by this Agreement, COUNTY may request from CONTRACTOR prompt written assurances of performance and a written plan acceptable to COUNTY, to correct the observed deficiencies in CONTRACTOR's performance. CONTRACTOR shall provide such written assurances and written plan within thirty (30) calendar days of its receipt of COUNTY's request and shall thereafter diligently commence and fully perform such written plan. CONTRACTOR acknowledges and agrees that any failure to provide such written assurances and written plan within the required time is a material breach under this Agreement.
29. SUBCONTRACTING/ASSIGNMENT: CONTRACTOR shall not subcontract, assign or delegate any portion of this Agreement or any duties or obligations hereunder without the COUNTY's prior written approval.
- a. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. Any agreement that violates this Section shall confer no rights on any party and shall be null and void.
  - b. CONTRACTOR shall use subcontractors identified in Exhibit "A" and shall not substitute subcontractors without COUNTY's prior written approval.
  - c. CONTRACTOR shall remain fully responsible for compliance by its subcontractors with all the terms of this Agreement, regardless of the terms of any agreement between CONTRACTOR and its subcontractors.
30. SURVIVAL: The obligations of this Agreement, which by their nature would continue beyond the termination on expiration of the Agreement, including without limitation, the obligations regarding Indemnification (Paragraph 2), Ownership of Documents (Paragraph 8), and Conflict of Interest (Paragraph 9), shall survive termination or expiration for two (2) years.
31. SEVERABILITY: If a court of competent jurisdiction holds any provision of this Agreement to be illegal, unenforceable, or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of them, will not be affected, unless an essential purpose of this Agreement would be defeated by the loss of the illegal, unenforceable, or invalid provision.

32. PATENT AND COPYRIGHT INDEMNITY: CONTRACTOR represents that it knows of no allegations, claims, or threatened claims that the materials, services, hardware or software ("CONTRACTOR Products") provided to COUNTY under this Agreement infringe any patent, copyright or other proprietary right. CONTRACTOR shall defend, indemnify and hold harmless COUNTY of, from and against all losses, claims, damages, liabilities, costs expenses and amounts (collectively, "Losses") arising out of or in connection with an assertion that any CONTRACTOR Products or the use thereof, infringe any patent, copyright or other proprietary right of any third party.
- a. COUNTY will: (1) notify CONTRACTOR promptly of such claim, suit or assertion; (2) permit CONTRACTOR to defend, compromise, or settle the claim; and, (3) provide, on a reasonable basis, information to enable CONTRACTOR to do so. CONTRACTOR shall not agree without COUNTY's prior written consent, to any settlement, which would require COUNTY to pay money or perform some affirmative act in order to continue using the CONTRACTOR Products.
  - b. If CONTRACTOR is obligated to defend COUNTY pursuant to this Section 32 and fails to do so after reasonable notice from COUNTY, COUNTY may defend itself and/or settle such proceeding, and CONTRACTOR shall pay to COUNTY any and all losses, damages and expenses (including attorney's fees and costs) incurred in relationship with COUNTY's defense and/or settlement of such proceeding.
  - c. In the case of any such claim of infringement, CONTRACTOR shall either, at its option, (1) procure for COUNTY the right to continue using the CONTRACTOR Products; or (2) replace or modify the CONTRACTOR Products so that that they become non-infringing, but equivalent in functionality and performance.
  - d. Notwithstanding this Section 32, COUNTY retains the right and ability to defend itself, at its own expense, against any claims that CONTRACTOR Products infringe any patent, copyright, or other intellectual property right.

33. OTHER AGENCIES:

Other tax supported agencies within the State of California who have not contracted for their own requirements may desire to participate in this contract. The CONTRACTOR is requested to service these agencies and will be given the opportunity to accept or reject the additional requirements. If the CONTRACTOR elects to supply other agencies, orders will be placed directly by the agency and payments made directly by the agency.

**[END OF GENERAL TERMS AND CONDITIONS]**

**EXHIBIT A**

**DEFINITION OF SERVICES**

CONTRACTOR shall provide the following services:

**[END OF DEFINITION OF SERVICES]**

**EXHIBIT B**

**PAYMENT TERMS**

**[END OF PAYMENT TERMS]**

**EXHIBIT C****INSURANCE REQUIREMENTS**

Insurance coverage in a minimum amount set forth herein shall not be construed to relieve CONTRACTOR for liability in excess of such coverage, nor shall it preclude COUNTY from taking such other action as is available to it under any other provisions of this Agreement or otherwise in law.

CONTRACTOR agrees to indemnify and hold harmless COUNTY, its elected or appointed officials, employees or volunteers against any claims, actions, or demands against them, or any of them, and against any damages, liabilities or expenses, including costs of defense and attorney's fees, for personal injury or death, or for the loss or damage to the property, or any or all of them, to the extent arising out of the performance of this Agreement by CONTRACTOR.

CONTRACTOR affirms that s/he is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for the Workers' Compensation or to undertake self insurance in accordance with the provisions of the Code and CONTRACTOR further assures that s/he will comply with such provisions before commencing the performance of work under this Agreement. CONTRACTOR shall furnish to COUNTY certificate(s) of insurance evidencing Worker's Compensation Insurance coverage to cover its employees, and CONTRACTOR shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of CONTRACTOR'S and subcontractors' employees.

CONTRACTOR shall furnish to COUNTY certificates of insurance with Automobile Liability/General Liability Endorsements evidencing at a minimum the following:

- a. Combined single limit bodily injury liability and property damage liability - \$1,000,000 each occurrence.
- b. Vehicle / Bodily Injury combined single limit vehicle bodily injury and property damage liability - \$500,000 each occurrence.

[END OF INSURANCE REQUIREMENTS]

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**ATTACHMENT H**  
**MENDOCINO COUNTY EPAYABLES INFORMATION**

The County of Mendocino is currently making electronic payments to all of our vendors and suppliers who qualify. To achieve this more efficient form of payment, the County has partnered with Bank of America and their ePayables credit card program. This electronic initiative will yield many benefits to its participants:

- Expedited receipt of cash – electronic payments provide cash flow benefits by eliminating mail and paper check float
- Elimination of check processing costs
- Remittance data transmitted with payment for more efficient back-end reconciliation
- No collection costs associated with lost or misplaced checks
- Reduced exposure to check fraud
- More efficient handling of exception items
- Fits with existing accounting software – requires no purchase of software, no modifications to existing accounts receivable system and no change to bank accounts.
- Going green with paperless electronic payments help conserve the environment by eliminating printing and mailing of paper checks.

For information regarding the payment process, please contact Dennis Dow [dowd@co.mendocino.ca.us](mailto:dowd@co.mendocino.ca.us) or 707-234-6864.

Additional information regarding the Bank of America Program is also available at:

[http://corp.bankofamerica.com/business/ci/landing/epayables-vendors?cm\\_mmc=sb-general--vanity--sq01vn000r\\_epayablesvendors--na](http://corp.bankofamerica.com/business/ci/landing/epayables-vendors?cm_mmc=sb-general--vanity--sq01vn000r_epayablesvendors--na)