



# REQUEST FOR PROPOSALS



**RFP Release Date**  
03/02/2018

## Banking Services

**Proposals Due**  
05/11/2018  
@ 4:00 PM

City of West Hollywood  
Attention: City Clerk  
8300 Santa Monica Blvd  
West Hollywood, CA 90069

## Table of Contents

### 1. General Information

1.1 About the City of West Hollywood .....	3
1.2 General Terms and Conditions .....	4
1.3 Scope of Services .....	5

### 2. Proposal Instructions

2.1 RFP Overview .....	8
2.2 Access to RFP.....	9
2.3 RFP Communication and Questions .....	9
2.4 Schedule of Events .....	9
2.5 RFP Amendments.....	10
2.6 Procedure for Submitting Proposals.....	10
2.7 Format and Contents.....	10
2.7 Evaluation and Selection Process.....	14
2.8 Firm Interviews and Presentations .....	17
2.9 General Requirements .....	17

### 3. Appendices

Appendix A - Certification of Proposals

Appendix B - Summary Sheet

Appendix C - Checklist of Services

Appendix D - Cost of Services

Appendix E - Specific Questions








Appendix F - Contract Requirements

## 1. General Information

### 1.1 About the City of West Hollywood

The City of West Hollywood is like no other city in the world. Located in an urban and vibrant part of Los Angeles County, with Beverly Hills to the west, Hollywood to the east, the Hollywood Hills to the north and the Fairfax District to the south, West Hollywood was incorporated in 1984. At only 1.9 square miles, West Hollywood is a robust economic and cultural center that includes national destinations and landmarks such as the Sunset Strip, the West Hollywood Design District, the Pacific Design Center, and a gay and lesbian nightlife area. It is a place where idealism, creativity and innovation thrive, along with a history of community activism and civic pride.

As a premier City, West Hollywood strives for quality in all our actions, setting the highest goals and standards. This includes the processing of payroll checks to our approximately 225 regular employees and 75 seasonal or temporary employees and about 8,000 annual vendor payments, along with other banking services. In doing so, the City of West Hollywood seeks to solicit proposals from interested financial institutions that incorporate our core values into their corporate model. Our core values include:

-  Respect and Support for People
-  Responsiveness to the Public
-  Idealism, Creativity and Innovation
-  Quality of Residential Life
-  Promote Economic Development
-  Public Safety
-  Responsibility for the Environment

The City aims to make decisions for banking with financial institutions based not only on fiscal responsibility, but also social responsibility. *The City of West Hollywood does not do business with any institution, company, or corporation, including subsidiaries and affiliates, that practices or supports, directly or indirectly, through its actions, discrimination on the basis of race, religion, color, national origin, sex, sexual orientation, gender identity, political affiliation or opinion, medical condition, or pregnancy or pregnancy-related condition.* Additionally, the City prides itself in managing our urban environment and is dedicated to preserving and enhancing its well-being. As such, the City prefers to partner with institutions that have a demonstrated history of enforcing environmentally responsible policies. All socially responsible considerations are in addition to compliance with California Law, the West Hollywood Municipal Code and Resolutions, and the General Terms and Conditions related to fiscal responsibility that is required by the Department of Finance & Technology Services.

## **1.2 General Terms and Conditions**

The Financial Institution must:

- A. Be a State of California chartered banking institution.
- B. Be a qualified depository for public funds pursuant to California Government Code Section 53648.
- C. Have a Community Reinvestment Act (CRA) rating of “Satisfactory” or better in the State of California, as determined by the appropriate regulatory body.
- D. Have an existing relationship with the State Treasurer as an approved depository for Local Agency Investment Fund (LAIF) transactions or provide a process for transferring funds to/from LAIF that is equivalent to that of an approved depository.
- E. Have an existing relationship with Los Angeles County as an approved depository for Los Angeles County Pooled Investments (LACT) transactions or provide a process for transferring funds to/from LACT that is equivalent to that of an approved depository.

Financial Institutions may receive additional points in the evaluation process, if they:

- F. Have a full service branch banking facilities located within the City of West Hollywood.
- G. Have a government services division that provides services to local government.

Financial Institutions will be evaluated on:

- H. Financial Responsibility criteria such as financial health and stability as demonstrated by annual financial reports and credit ratings.
- I. Ability to meet the City’s Social Conscious Banking Policy. The following will be considered:
  - i. Consent orders, issued within five years of the date of the RFP, for improper sales practices placed by the Consumer Finance Protection Bureau or other federal or California regulatory agency to protect consumers from improper sales practices; or any other Federal or California state enforcement order.
  - ii. Investments that support community well-being; promote equality of rights regardless of sex, race, age, disability, or sexual orientation; and promote community economic development.
  - iii. Involvement in communities that have a strong representation in West Hollywood (LGBTQ, seniors, Russian, etc.).
  - iv. Investments made in entities that support a clean and healthy environment.

- v. Investments with under-served communities.
- vi. Investments in private prisons, fossil fuel companies, tobacco or tobacco related products and investments in organizations or companies that support the production of weapons, military systems, or nuclear power.

### **1.3 Scope of Services**

The following is a list of the City’s current banking services. The City is looking for a Financial Institution that is able to provide a similar scope of services along with recommending any additional services that will be beneficial to the City; the City uses a separate third party for merchant services. Financial Institutions are permitted and encouraged to propose account structure(s) that are advantageous to the City.

#### **A. Description of Bank Accounts and Deposits**

The City currently maintains twelve accounts. Five of these accounts are subaccounts which sweep all balances into the General Account on a daily basis. The twelve accounts are listed below with a brief explanation of each account.

General	Used as the depository account for the City. All deposits (currency, coins, check, direct deposits and Beverly Hills parking meter collections on behalf of the City) are made into this account. Funds not deposited electronically via Desktop Deposit, are deposited twice a week via armored car (this is a separate contract), with pickup at City Hall and two other City locations. Some funds are also deposited electronically from City vendors on a daily or as needed basis (e.g. City parking monies are also collected and deposited by Conduent and the City of Beverly Hills). No checks are written on this account. This account also funds the City’s disbursement accounts (accounts payable, payroll and payroll taxes), debt service payments to the fiscal/paying agent, payment to the FHB account and miscellaneous wire transfers. Next day online view of NSF checks should be available. Desktop Deposit and Returned-Item services are required.
Accounts Payable	Used for general City disbursements paid by warrant or ACH or EFT. Positive Pay services, Stop Payment, Account Reconciliation / Outstanding Check services and Check Image/CD services are required.
Payroll Clearing	Used for City payroll disbursements. Payroll is issued every other week. Almost every paycheck

is processed by direct deposit (for example, for pay period ending February 4, 2018, the City issued 8 checks out of 276 payments made). *Same day direct deposit is available for employees who use the City's current bank.* Positive Pay services, Stop Payment, Account Reconciliation / Outstanding Check services are required.

- Revenue Mgmt. Used for direct deposit payments initiated by the payer and ACH/EFT by certain vendors for certain payments related to taxes and revenues. ACH and Wire transfer services are required.
- On-Line Parking Permits The City contracts with Conduent for the processing of online parking permits which are paid by Visa, MasterCard or American Express (AMEX) credit cards. These receipts are deposited in this account nightly. There are two merchant accounts associated with this account.
- Parking Fines The City contracts with Conduent for the administration and collection of parking citation payments received in cash, checks, and credit cards. Conduent deposits the funds collected into this account daily. There are four merchant accounts associated with this account for online payments and payments made by phone with Visa, MasterCard, or AMEX credit cards.
- Credit Cards At City Hall, customers are offered the option to pay by credit card (Visa, MasterCard or AMEX) at its various counters. There are four merchant accounts for onsite business transactions paid at the City Hall's cashier counters. Additionally, there are six other merchant accounts for various City processes (Community Development, Business License, and Rent Stabilization fees), not paid at a City hall cashier counter. In total, there are ten credit card merchant accounts which deposit into this Credit Cards subaccount on a nightly or as needed basis.
- Credit Card Pay by Space The City provides pay by credit card options for its various parking lots (Visa, MasterCard or AMEX). There are twenty-two merchant accounts associated with this account. All credit card receipts

are credited to this account on a nightly or as needed basis.

FHB	The City's flexible health benefit account, set up and administered by TASC (Total Administrative Services Corporation), provides reimbursement payments to employees enrolled in its medical/dependent care tax benefit plan. Employees' qualified medical/care expenses are reimbursed to them by direct deposit and/or by use of a "TASC Card" which functions as an ATM card for qualified medical expenses. There is one merchant account managed by TASC for the City. Deposits are made every two weeks (or every pay-date). Stop Payment, Account Reconciliation / Outstanding Check services and Check Image/CD services are required
Rent Stabilization	The City's Rent Stabilization (RS) payments deposit into the RS account. The RS Division issues its bills around the 2 <sup>nd</sup> week of May, and requests from the bank to activate the City's lockbox for the processing of payments to be received thru mid- July. Generally, the lockbox is needed from Mid-May thru Mid-July. Normally, the RS bills have a due date of July 15th. While the lockbox is open, the bank transmits a daily data file to the RS Division listing the identifying details of the payer's, amounts, and dates and deposit total. The RS Division uses this data file to interface it with their system to account for payments. Once the lockbox is closed on its predefined deadline, the bank will forward to the RS Division any payments received after the deadline, along with the postmarked envelopes. These payments are identified as late and are processed by the City accordingly. Lock box services are optional.
Successor Agency	Used to hold monies received by the City's Successor Agency to the Redevelopment Agency.
Risk Management Account	The City contracts with George Hills as a third party administrator, which issues claim related payments by check. Stop Payment, Account Reconciliation / Outstanding Check services and Check Image/CD services are required.

## B. Cash Management Overview

The City's current banking arrangement includes a Cash Management Service whereby, the City has computer secure Internet access (or access by toll free customer service telephone if computer access is not functional) to information on previous day available balance and all information on the prior day's activity by 7:30 A.M. Pacific Time each business day. The City also has intraday access to monitor same day deposits.

The excess funds, approximately \$187.2 million, as of December 2017, are invested in the State Local Agency Investment Fund (LAIF) and the Los Angeles County Treasurer Investment Pool (LACT).

Under the City's current banking arrangement, all wire transfers (repetitive and non-repetitive) are set-up, initiated, approved and executed on-line with a personal identification number. There may be instances, in the future, where the City releases wire transfers in amounts greater than the current bank balance with anticipation of receiving funds from incoming deposits or wire transfers. Therefore, the City may have a need for daylight overdraft availability to accommodate its cash management activities.

The accounts payable and payroll accounts use positive pay and the general account uses desktop deposit to deposit checks received.

## C. Other

Other services include, but are not limited to full account reconciliation services, on-line stop payments, on-line Federal and State tax payments and on-line account inquiry and information services, mobile banking services, p-cards, business continuity/disaster recovery services and fraud services.

## **2. Proposal Instructions**

### **2.1 RFP Overview**

The City of West Hollywood has a strong desire to develop a long lasting relationship with a Financial Institution that displays fiscal and social responsible banking and has a core commitment to the community through support of affordable housing, economic development, non-profit organizations, small businesses and job creation.

Responses must conform to the requirements of this Request for Proposals (RFP). The City reserves the right to waive any irregularity in any proposal or to reject any proposal, which does not comply with this RFP. Selection of the Financial Institution will be made solely by the City on criteria determined by the City.

The successful Financial Institution will be required to enter into an agreement, which will include the requirements of this RFP as well as other requirements. The initial term



of the agreement will be for five (5) years. Upon expiration of the initial term, the City and Financial Institution may mutually agree to extend the agreement for an additional three-year term under the same terms and conditions. Pricing during the option period will be negotiated between the City and the Financial Institution.

The City expects, but does not guarantee, that the decision on selection of a Financial Institution will be made on the date indicated in Section 2.4. The City assumes no obligation for any costs incurred by any Financial Institution in preparing the response to this request, attending an interview, or any other activity prior to award of the contract to the selected Financial Institution.

Financial Institutions may withdraw their proposals, without prejudice, prior to the date and time specified for proposal submission, by sending a written request to [kbareng@weho.org](mailto:kbareng@weho.org). Proposals received after the due date will be not considered.

## **2.2 Access to RFP:**

Please see: <http://www.weho.org/city-hall/city-clerk/public-notice/rfp-RFP-bid-notice>

## **2.3 RFP Communication and Questions:**

The City's principal contact for this proposal will be Karen Bareng, Senior Accountant, via email only at: [kbareng@weho.org](mailto:kbareng@weho.org). Communication or solicitation with other City of West Hollywood officials or employees regarding any aspect of this RFP is *expressly prohibited* and may result in disqualification.

*The West Hollywood City Council members committed on February 20, 2018, to not accept donations and political contributions from Financial Institutions submitting proposals under this RFP until such time as the City Council selects a Financial Institution to provide banking services to the City. Financial Institutions submitting proposals should refrain from making any donations and political contributions to the City Council members until a formal award has been made, as such donations and contributions will not be accepted.*

## **2.4 Schedule of Events:**

The timing of the qualification's review and selection process is subject to change.

Council Approval to Issue RFP:	February 20, 2018
Request for Proposals Released:	March 2, 2018
RFP Questions Deadline:	March 23, 2018
Distribution of Answers to Questions:	April 13, 2018
<b>Proposals Due to City Clerk:</b>	<b>MAY 11, 2018, 4:00 PM</b>
Candidate Interviews:	June 11-15, 2018
City Council Contract Approval:	July 16, 2018
Planning/Transition Phase Starts:	August 6, 2018
Complete Implementation:	February 1, 2019

## **2.5 RFP Amendments:**

The City reserves the right to change the RFP schedule or issue amendments to the RFP at any time. The City also reserves the right to cancel or reissue the RFP.

## **2.6 Procedure for Submitting Proposals:**

Failure to comply with the requirements of this RFP may result in disqualification. Each submittal must include all the sections listed in the “Format and Contents” section (Section 2.7). **Six hard copies of the proposal must be submitted to the City Clerk’s Office at 8300 Santa Monica Boulevard, West Hollywood, CA 90069, no later than 4:00 pm on FRIDAY, MAY 11, 2018.** Submittals received after deadline will be rejected; postmarks will not be accepted. Proposals must address the requirements of the RFP in the exact order set forth in this Section. Submittals should be as concise as possible and must not contain any promotional, advertising or display material. Proposals must:

- A. Not be folded and not be bound with any fabric, plastic, glue, staple, folder or rubber bands.
- B. Have letter tabbing as described in Section 2.7.
- C. Show page numbers for all pages in the proposal.
- D. Include six (6) hard copies, each punched in a 3-ring binder and one (1) electronic copy on a disc or thumb drive as a pdf file.
- E. Be on 8-1/2”x11”, 20-24 lb. white paper (do not submit covers).
- F. Be submitted in one or more envelopes, each of which clearly:
  - i. States “**2018 Banking Services RFP**”
  - ii. Identifies the Financial Institution
  - iii. States the number of the envelope and the total number of envelopes submitted by the Financial Institution
- G. Be in an envelope addressed (or delivered) as follows:
  - City of West Hollywood
  - Attn: Yvonne Quarker, City Clerk
  - 8300 Santa Monica Blvd
  - West Hollywood, CA 90069

## **2.7 Format and Contents**

**The City is requesting concise proposals in response to this RFP.** The content and sequence of the information contained in each copy of the proposal shall be separated by tabs as follows:

**A. Letter of Transmittal**

Include your Financial Institution's understanding of the work to be performed and state why your Financial Institution believes it to be the best qualified to perform the services requested. Include why your Financial Institution's philosophy and past performance is consistent with the core values and social consciousness of the City of West Hollywood. (Two pages maximum)

**B. Certification of Proposals**

Return a copy of the entire completed certification properly executed as provided for in Appendix A.

**C. Summary Sheet**

Provide a fully completed copy of the Summary Sheet (Appendix B) included with this RFP. Provide the name, title, experience and qualifications of the personnel who will be assigned to the project.

**D. Checklist of Services**

Financial Institutions are to respond to and include the checklist that is located in Appendix C. Response on the checklist is either yes or no. It is not the intent or desire of the City for the Financial Institution's responses to describe each of the services listed on the checklist.

**E. Conceptual Plan**

The City performed a detailed analysis of available banking services in 2013. It is the City's intent to maintain all banking services with one financial institution that can provide socially responsible banking, meet the City's needs and maximize the City's cash flow and earnings as well as minimize administrative costs and service fees.

- i. Provide a Scope of Work for services to the City that you believe is appropriate for the City and addresses the City's current Banking Service needs as described in the Scope of Services in Section 1.3. Indicate features, resources, technology, skills and/or services that distinguish your Financial Institution and make it the better choice for the City currently and for the future. Include terminology that is easily understood by a lay person. For each Banking Service proposed, describe the performance standards for that service.
- ii. Submit an implementation plan which includes: the process of transitioning from our current Financial Institution to your Financial Institution, a plan for training City staff on how to use your services and a project schedule. Identify who is responsible for completing each task and any task dependencies. Also include timeline for all tasks identified in the scope of work and the expected implementation duration.
- iii. Submit a business continuity and disaster recovery plan to ensure that the CITY's Data is not at risk of being unrecoverable in the event the City is affected by catastrophic equipment failure or natural disaster.

- iv. Finally, submit a Service/Support plan to explain how the Financial Institution will handle day-to-day problem resolution during the transition, including customer service contacts for all types of bank services – deposit account setup, electronic fund transfers, remote deposit, system implementation, etc.

#### ***F. Other Services***

The Financial Institution may be required to provide other standard banking services not specifically referenced in this RFP. Based on the information provided in the RFP and your Financial Institution's knowledge of the public sector, please describe any services or technological enhancements, not previously mentioned, that should be considered for further improving the effectiveness of the City's treasury management operations. (Two pages maximum)

#### ***G. Cost for Services***

Attached (Appendix D) is the average monthly volume for the current accounts maintained by the City (the average is based on the three months ending December 2017). The Financial Institution is required to submit a dollar cost proposal using the volume data contained in this RFP. It is expected that the Financial Institution will provide a line item unit and total dollar cost for each of the items associated with their proposal. Additionally, a total monthly cost, based on the services in the proposal shall be provided. Since it is expected that this will be a long term relationship and services offered by the Financial Institution and the City's needs will change overtime, the dollar cost portion of the proposal shall include a statement regarding the pricing of future services.

While the selection is not based solely on the dollar cost proposal, to be eligible for recommendation as the proposed Financial Institution for the City, the dollar cost must be reasonable.

#### ***H. Responses to Specific Questions listed in Appendix E***

Attached (Appendix E) are specific service questions. For the response to this RFP, the Financial Institution is to type each question and label it in the order listed in the Appendix with a response immediately following the question. (An electronic Word version will be provided via email upon request) The questions are divided into the following three sections:

- i. Questions Related to Minimum Requirements
- ii. Questions Related to Experience and Qualifications
- iii. Questions related to Social Responsibility

#### ***I. References***

List five similar public agencies for which your Financial Institution has provided services in the last five years and when performed. In a table format, show names of

organizations, services provided, and names and telephone numbers of persons who can be contacted with regard to the services you have provided.

List any public agencies for which contracts with your Financial Institution were lost or not renewed in the last five years (note – this excludes the situation where the Financial Institution completed the contract term and was not a successful proposer in an RFP process). In a table format, show names of organizations, services provided, and names and telephone numbers of persons who can be contacted.

### ***J. Litigation***

To the extent permitted by law, Financial Institutions must provide a statement disclosing any underway enforcement investigations and completed enforcement actions undertaken against the Financial Institution in the past five (5) years by the Consumer Financial Protection Bureau, U.S. Department of Justice, Federal Deposit Insurance Corporation, Federal Reserve Board, Financial Industry Regulatory Authority, National Credit Union Association, Office of the Comptroller of the Currency, U.S. Securities and Exchange Commission, the California Department of Justice, or any applicable state banking regulatory body (such as the California Department of Business Oversight). Financial Institutions must include the following information in their disclosures (in a table format):

- i. Description and date of the enforcement action;
- ii. Basis for the enforcement action;
- iii. Name of the enforcing agency which undertook the action;
- iv. Measures taken by the Financial Institution to address or resolve the conditions which led to the enforcement action;
- v. Current status of the enforcement action; and
- vi. Supplemental information regarding regulatory enforcement actions may be included as an exhibit to the submittal.

Furthermore, during the period of submission and review of the responses to this RFP, Financial Institutions are required to disclose to the City any public enforcement action undertaken by any federal or state banking regulatory agency, a federal or state prosecutorial agency, or a court of law against the Financial Institution within ten (10) days after an action is taken or a fine is imposed.

Financial Institutions successful in the bid process will be required to disclose any enforcement actions by the aforementioned agencies during the duration of any contractual agreement subsequent to this RFP.

***K. Financial Institution’s Insurance***

The selected Financial Institution must provide and maintain in force at all times during the term of the services contemplated herein insurance for Workers’ Compensation, Commercial General Liability, and Errors and Omissions Liability or Professional Liability, Crime, and Cyber Security Coverage in amounts consistent with the services provided and as determined jointly by the City and the Financial Institution. Such policies should be issued by companies admitted in the State of California. The proposal shall include the amounts of insurance by type of coverage and the deductible or self-insured level for each type of coverage.

***L. Contract Requirements***

The Financial Institution shall review the contract requirements in Appendix F. Any proposed changes to the boiler plate contract language, including insurance and endorsement requirements, shall be listed in this section. Proposed changes will not have any influence on the evaluation of the proposal. The proposed changes will be reviewed and approved by the City Attorney’s Office and Risk Management Officer prior to signing the contract documents.

**2.7 Evaluation and Selection Process**

Responsive proposals received by the deadline will be evaluated by an evaluation committee, which may include outside consultants, established by the City. Additionally, an independent checking of references may be used to assist in selecting the finalist(s). Oral interviews at City Hall may be conducted by the City. Negotiations will take place with the finalist that will be recommended to the City Council.

A. Award of Proposal

Award will be made to the Financial Institution offering the most advantageous proposal after consideration of all evaluation criteria set forth below. The committee will evaluate all proposals received in accordance with the evaluation criteria. The City shall not be obligated to accept the lowest priced proposal, but will make an award in the best interest of the City after all factors have been evaluated.

A Notification of Intent to Award may be sent to any Financial Institution selected. Award is contingent upon the successful negotiation of final contract terms.

Negotiations shall be confidential and not subject to disclosure to competing Financial Institutions unless an agreement is reached. If contract negotiations cannot be concluded successfully, the City may negotiate a contract with the next highest scoring Financial Institution or withdraw the RFP.

The recommended proposal will be submitted to the City Council for approval. The Financial Institution selected will enter into a contract with the City.

**B. Evaluation Criteria**

The following is the evaluation criteria that will be used to evaluate all proposals:

<b>EVALUATION CRITERIA</b>	<b>Points</b>
<b>Required Points*</b>	
A. Financial Institution must be a State of California chartered banking institution.	3
B. Financial Institution must be a qualified depository for public funds pursuant to California Government Code Section 53648.	3
C. Financial Institution must have a Community Reinvestment Act (CRA) rating of “Satisfactory” or better in the State of California, as determined by the appropriate regulatory body.	3
D. Financial Institution must have a relationship with the State Treasurer as an approved depository for Local Agency Investment Fund (LAIF) transactions or provide a process for transferring funds to/from LAIF that is equivalent to that of an approved depository.	3
E. Financial Institution must have an existing relationship with Los Angeles County as an approved depository for Los Angeles County Treasurer Pooled Investments (LACT) transactions or provide a process for transferring funds to/from LACT that is equivalent to that of an approved depository.	3
<b>Sub-Total Required Points*</b>	<b>15</b>
* Required Points – All Required Points must be met for Financial Institution to be considered for award of a contract.	
<b>Services and Experience</b>	
F. Qualifications, experience, availability to provide service needs of the City, and completeness and understanding of the RFP.	15
G. Full-service banking facilities located within the City of West Hollywood.	5
H. Government services division that provides services to local governments.	5
I. Conceptual plan, including implementation and conversion timeline.	5
J. Cost for Services, earning credit rate.	5
<b>Sub-Total Services and Experience Points</b>	<b>35</b>
<b>Financial Responsibility</b>	
K. Financial Institution’s credit rating as determined by Standard & Poor’s, Moody’s and/or Fitch Ratings.	10
L. Financial Institution’s financial health and stability as demonstrated by annual financial reports and other indicators	5

M. Financial Institution has on file with the California State Treasurer, an affidavit from one of its officers with the amount of capital stock and surplus that equal to or greater than the average monthly balance that the City will maintain with the bank during the term of the agreement.	5
<b>Sub-Total Fiscal Responsibility Points</b>	<b>20</b>
<b>Social Responsibility</b>	
N. No consent orders, issued within five years of the date of the RFP, for improper sales practices placed by the Consumer Finance Protection Bureau or other federal or California regulatory agency to protect consumers from improper sales practices; no orders from any other Federal or California state enforcement agency; and has a National Community Reinvestment Act (CRA) rating of “Satisfactory” as determined by the appropriate regulatory body.	5**
O. Investments that support community well-being; promote equality of rights regardless of sex, race, age, disability or sexual orientation; and promote community economic development.	5
P. Past, current, and commitment to future involvement in communities that have a strong representation in West Hollywood (LGBTQ, seniors, Russian, etc.).	5
Q. Investments made in entities that support a clean and healthy environment	3
R. Investments with under-served communities, including small/medium, sized businesses, non-profits, affordable-housing developers and community facilities	3
S. No investments in fossil fuel companies	3**
T. No investments in tobacco or tobacco related products	3**
U. No investments in private prisons, organizations or companies that support the production of weapons, military systems, or nuclear power	3**
<b>Sub-Total Social Responsibility Points</b>	<b>30**</b>
<b>Grand Total Points</b>	<b>100</b>
<i>** Financial Institutions will NOT receive the following 14 points if any of these items apply:</i>	
Consent orders, issued within five years of the date of the RFP, for improper sales practices placed by the Consumer Finance Protection Bureau or other federal or California regulatory agency to protect consumers from improper sales practices; orders from any other Federal or California state enforcement agency; and does not have a National Community Reinvestment Act (CRA) rating of “Satisfactory” as determined by the appropriate regulatory body. (Item N.)	(5)
Investments in fossil fuel companies (Item S)	(3)



Investments in tobacco or tobacco related products (Item T)	(3)
Investments in private prisons, organizations or companies that support the production of weapons, military systems, or nuclear power (Item U)	(3)

## **2.8 Firm Interviews and Presentations**

The City may request that Financial Institutions make an oral presentation of their proposal to City during the RFP evaluation period. This presentation will provide Financial Institutions the opportunity to detail their services, experience and responses to the RFP to ensure thorough and mutual understanding. All expenses incurred by the Financial Institution for participating in the oral presentations will be the responsibility of the Financial Institution.

## **2.9 General Requirements**

- A. Inclusion of Proposals - The Proposals submitted in response to this RFP may be incorporated as part of the final contract with the selected Financial Institutions.
- B. Right to Reject Any or All Proposals - The City reserves the right to reject any or all responses, to waive technicalities or formalities, and to accept any response deemed to be in the best interest of the City. Where two or more firms are deemed equal, the City reserves the right to make the award to one of the two firms.
- C. Validity Period - Submission of a proposal will signify the firm's agreement that the proposal is valid for 180 days from the Proposals Due to City Clerk date specified in Section 2.4.
- D. Costs of Preparation - Each submittal prepared in response to this RFP shall be done at the sole cost and expense of each proposing Financial Institution and with the express understanding that no claims against the City for reimbursement will be accepted.
- E. Public Records and Right to Submitted Documents - All submittals, inquires, responses, or correspondence related to or in reference to this RFP, and all reports, charts, displays, schedules, exhibits, and other documentation submitted by the Financial Institution will become the property of the City when received.

The City of West Hollywood is subject to California law regarding the disclosure of public records. Financial Institution must clearly identify any information they regard as proprietary in the proposal. Any such information should be marked "Proprietary" or "Confidential." Information that is proprietary within the meaning of California law will be withheld from any public records requests. All other information is subject to disclosure.

- F. Assignment - The successful Financial Institution will not assign, transfer, convey, or otherwise dispose of the contract, or right, title of interest, or power to execute such a contract to any person, any other Financial Institutions, or corporation without previous consent in writing from the City.
- G. Termination of Contract - The contract will provide that either party reserves the right to terminate the contract at any time upon thirty (30) days prior written notice of the intent to terminate the contract. The City may terminate the contract for cause with five (5) days written notification.
- H. Right to Request Additional Information - During the evaluation process, the evaluation committee reserves the right, where it may serve the City's best interest, to request additional information or clarifications from firms, or to allow corrections of errors or omissions. At the discretion of the evaluation committee, Financial Institutions submitting proposals may be requested to make oral presentations as part of the evaluation process.
- I. Additional Services - The scope of service requirements outlined above describe the minimum work to be accomplished. Upon final selection of the Financial Institution, the scope of service may be modified during negotiations with the City.
- J. Undue Influence - The Financial Institution declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of the City in connection with the award of this RFP, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City will receive compensation, directly or indirectly, from the Financial Institution, or from any officer, employee or agent of the Financial Institution, in connection with the award of the Agreement or any work to be conducted as a result of the Agreement. Violation of this Section shall be a material breach of the Agreement entitling the City to any and all remedies of the law.
- K. Contracts and Insurance Requirements - The selected Financial Institution must provide and maintain in force at all times during the term of the service insurance for Workers' Compensation, General Liability, Professional Liability, Automobile Liability, Crime, and Cyber Security Coverage in amounts consistent with the services provided, as determined by the City. Such policies should be issued by companies admitted in the State of California.

It is recognized that the formal basis of any agreement between the Financial Institution and the City will be a contract rather than a proposal. The City maintains various policies related to contractual service providers. Among these are anti-discrimination, a living wage, and equal benefits policy. The City of West Hollywood has some clauses which are required on all contracts and are non-negotiable. Those clauses are as follows:

- i. **Living Wage Ordinance:** The Financial Institution shall abide by the provisions of the West Hollywood Living Wage Ordinance. During the term of this Agreement, the Financial Institution shall keep on file sufficient evidence of its employee compensation to enable verification of compliance with the West Hollywood Living Wage Ordinance.
  
- ii. **Equal Benefits Ordinance:** The Financial Institution shall abide by the provisions of the West Hollywood Equal Benefits Ordinance. During the term of this Agreement, the Financial Institution shall keep on file sufficient evidence of its employee compensation and any applicable benefits packages, as those benefits relate to the coverage of the domestic partners of contractor's employees, which shall include; bereavement leave; family medical leave, and health insurance benefits, to enable verification of compliance with the West Hollywood Equal Benefits Ordinance.
  
- iii. **Restrictions: Arab League Boycott of Israel.** The Financial Institution hereby affirms it does not honor the Arab League Boycott of Israel.

By submitting Proposals, Financial Institutions are indicating that they are prepared to comply with City ordinances and policies. As part of the contract or during contract negotiations, the City may request that the selected Financial Institution sign a statement affirming its compliance with these policies.

**APPENDIX A**

CERTIFICATION OF PROPOSAL TO THE CITY

1. The undersigned hereby submits its proposal and, by doing so, agrees to furnish services to the City in accordance with the Request for Proposal (RFP), dated March 2, 2018 and to be bound by the terms and conditions of the RFP.
2. This Financial Institution has carefully reviewed its proposal and understands and agrees that the City is not responsible for any errors or omissions on the part of the Proposer and that the Proposer is responsible for them.
3. It is understood and agreed that the City reserves the right to accept or reject any or all proposals and to waive any informality or irregularity in any proposal received by the City.
4. The proposal includes all of the commentary, figures and data required by the Request for Proposal, dated March 2, 2018.
5. This Financial Institution has carefully read and fully understands all of the items contained in Section 2.9, General Requirements. This Financial Institution agrees to all of the general requirements except for those listed on an attachment (to be provided by Financial Institution).
6. The proposal by this Financial Institution is an irrevocable offer and shall be valid for 120 days from May 11, 2018.

Name of Financial Institution: \_\_\_\_\_

\_\_\_\_\_

Corporate Officer Signature: \_\_\_\_\_

Type Name: \_\_\_\_\_

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

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

Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

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

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

**APPENDIX A**

CERTIFICATION OF PROPOSAL TO THE CITY (Continued)

I, \_\_\_\_\_ (authorized person / corporate officer), declare:

That I am authorized to submit this proposal on behalf of \_\_\_\_\_ (name of Financial Institution), and,

That the proposal is genuine, not a sham, or collusive, nor is it made in the interest of, or on behalf of, any person not herein named; and no one has directly or indirectly induced or solicited any other bidder or proposer to put in a sham bid, or any other person, firm or corporation to refrain from bidding; and no one has in any manner sought by collusion to secure for himself/herself an advantage over any other bidder or proposer.

I declare under penalty of perjury that the forgoing is true and correct.

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

Executed this \_\_\_\_\_ day of \_\_\_\_\_ (month) \_\_\_\_\_ at (year)

\_\_\_\_\_  
(Print name of City and State)

**APPENDIX A**

CERTIFICATION OF PROPOSAL TO THE CITY (Continued)

CERTIFICATION REGARDING COMPLIANCE WITH  
THE AMERICANS WITH DISABILITIES ACT

The undersigned certifies, that to the best of his/her knowledge and belief, that:

1. The Financial Institution is in compliance with and will continue to comply with the American with Disabilities Act 42 U.S.C. 1201 et seq. and its implementing regulations.
2. The Financial Institution will provide for reasonable accommodations to allow qualified individuals with disabilities to have access to and participate in its programs, services and activities in accordance with the provisions of the Americans with Disabilities Act.
3. The Financial Institution will not discriminate against persons with disabilities nor against persons due to their relationship or association with a person with a disability.
4. This certification is a material representation of fact upon which reliance was placed when the parted entered into this transaction.

Name of Financial Institution:

---

Corporate Officer Signature:

---

Type Name:

---

Title:

---

Date:

---

---

**APPENDIX B**

SUMMARY SHEET

Financial Institution Name: \_\_\_\_\_

Financial Institution Parent or Ownership: \_\_\_\_\_

Financial Institution Address: \_\_\_\_\_

\_\_\_\_\_

Financial Institution Headquarters (State): \_\_\_\_\_

Telephone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

Federal TIN \_\_\_\_\_ State TIN \_\_\_\_\_

Number of years in existence: \_\_\_\_\_

Management person responsible for direct contact with the City and services required for this Request for Proposal (RFP):

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

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

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

Person responsible for day-to-day servicing of the account:

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

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

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

\_\_\_\_\_

Location (address) of the full services Branch located in the City of West Hollywood

Please provide an organizational chart outlining the relationship and reporting hierarchy of the Financial Institution and also of the government banking services division.

Attach brief biographies, including experience with local governments, for all responsible person(s) assigned to the RFP and to the City of West Hollywood.

**APPENDIX B**

SUMMARY SHEET (Continued)

Total number of corporate employees?

Number of employees in California \_\_\_\_\_

Number of employees in the City of West Hollywood \_\_\_\_\_

Number of employees that live in City of West Hollywood \_\_\_\_\_

Number of branches?

Number of branches in the State of California \_\_\_\_\_

Number of branches in the City of West Hollywood \_\_\_\_\_

Please provide the following 2016 financial data for your financial institution:

Total Deposits \_\_\_\_\_

Total Assets \_\_\_\_\_

Total Equity \_\_\_\_\_

Please provide your most recent financial ratings for:

Long Term Issuer Rating:

DBRS \_\_\_\_\_

Fitch \_\_\_\_\_

Moody's \_\_\_\_\_

Standard & Poor's \_\_\_\_\_

Short Term Issuer Rating:

DBRS \_\_\_\_\_

Fitch \_\_\_\_\_

Moody's \_\_\_\_\_

Standard & Poor's \_\_\_\_\_



**APPENDIX B**

SUMMARY SHEET (Continued)

Community Reinvestment Act (CRA) State Profile:

1. What is the size of your institution as defined by the Community Reinvestment Act (CRA)?

Large  Intermediate  Small

2. Please provide the following CRA rating for your financial institution:

Overall CRA Rating – State \_\_\_\_\_

Issue Rating Date \_\_\_\_\_

<u>Performance Test Level</u>	Lending	Investment	Service
Outstanding	_____	_____	_____
Satisfactory	_____	_____	_____
Needs to Improve	_____	_____	_____
Substantial Noncompliance	_____	_____	_____

Please identify the following 2016 financial data specific to the City of West Hollywood:

Minority Business Enterprise (MBE) Loans \_\_\_\_\_  
Women Business Enterprise (WBE) Loans \_\_\_\_\_  
Educational grants / endowments \_\_\_\_\_

Please provide the number and value of loans for the following types of loans in an Excel format as Exhibit I.

- a. Small Business Loans (gross revenue of \$1 million or less)
- b. Home Mortgages
- c. Home Equity Loans
- d. Community Development Loans
- e. Community Development Investment

## APPENDIX C

### Checklist of Services

<u>Item</u>	<u>Yes</u>	<u>No</u>
Account Reconciliation	_____	_____
Account Analysis Report	_____	_____
On-Line Services:		
Balance Reporting	_____	_____
Wire Transfers	_____	_____
ACH Transfers	_____	_____
Same Day Reporting	_____	_____
Previous Day Reporting	_____	_____
Wire Template Availability	_____	_____
Availability of Funds	_____	_____
Payroll Services	_____	_____
Tax Payments	_____	_____
Daylight Overdraft Protection	_____	_____
Deposit Services	_____	_____
Desktop Deposit Services	_____	_____
Positive Pay	_____	_____
Positive Pay with Payee verification	_____	_____
Sweep Account	_____	_____
On-Line Wire Transfers	_____	_____
Direct Deposit of Payroll	_____	_____
Zero Balance Accounts	_____	_____
Lock Box Services	_____	_____
Online View of NSF Checks (next day)	_____	_____
Remote Deposit	_____	_____
Online View of Cleared Checks	_____	_____

**APPENDIX D**

**COST OF SERVICES**

**FINANCIAL INSTITUTION SERVICES BID FORM**

(All accounts, except for Rent Stabilization)

ITEM DESCRIPTION	2017			SELECTED AVERAGE VOLUME	UNIT PRICE	TOTAL PRICE
	OCTOBER VOLUME	NOVEMBER VOLUME	DECEMBER VOLUME			
<b><u>BALANCE &amp; COMPENSATION INFORMATION</u></b>						
RECOUPMENT MONTHLY	7,393.88	6,792.41	7,954.15	7,380.15		
<b><u>GENERAL ACCOUNT SERVICES</u></b>						
DESKTOP DEPOSIT CREDIT POSTED	22	19	20	20		
WELLSTAX QUARTERLY STATEMENT	-	-	1	1		
WELLSTAX RECEIPT	8	12	8	9		
CEO WELLSTAX PAYMENT	4	6	4	5		
CEO WELLSTAX SUBSCRIPTION PER ACCT	1	1	1	1		
ACCOUNT MAINTENANCE-CHEXSTOR	6	6	6	6		
SUBACCOUNT MAINTENANCE	6	6	6	6		
DEBITS POSTED	60	67	71	66		
<b><u>DEPOSITORY SERVICES</u></b>						
CEO RETN ITEM SUBSCRIPTION PER ACCT	1	1	1	1		
MISCELLANEOUS CREDITS POSTED	2	1		1		
CASH VAULT MONTHLY BASE	4	4		3		
CASH VAULT COIN DEPOSIT-STD BAG	104	90	36	77		
CASH VAULT COIN DEP-PARTIAL/MIX BAG	61	65	82	69		
CASH VAULT MONTHLY BASE	2	2	5	3		
CASH VAULT DEPOSIT ADJUSTMENT	7	1	3	4		
CASH VAULT CURRENCY/COIN DEPOSITED	124,145	118,407	108,686	117,079		
CASH VAULT ADJ ADVICE - US MAIL	-	-	3	1		
DEPOSIT LOCATION REPORTING - ITEM	1,015	901	942	953		
DEPOSITED CHECKS - ON US	10	9	2	7		
DEPOSITED CHECKS	22	25	30	26		
DESKTOP DEPOSIT- DEPOSITED ITEM ON US	150	159	184	164		
DESKTOP DEPOSIT- DEPOSITED ITEM	738	620	752	703		
ELECTRONIC DEPOSIT - DEPOSITED ITEM ON US	467	363	412	414		
ELECTRONIC DEPOSIT - DEPOSITED ITEM	1,932	1,582	1,575	1,696		
ELECTRONIC DEPOSIT - DEP ADJUSTMENT	3	1	1	1		
CV CASH ONLY OR CHECK ONLY DEPOSIT	58	60	57	58		
CASH VAULT DEPOSIT CASH AND CHECK	7	9	4	7		
RETURN ITEM - CHARGEBACK	3	4	8	5		
CEO RETURN ITEM RETRIEVAL-IMAGE	6	4	7	6		
CEO RETURN ITEM SERVICE MTHLY BASE	5	5	5	5		
RETURN ITEM REDEPOSITED	3	6	10	6		
<b><u>PAPER DISBURSEMENT SERVICES</u></b>						
POSITIVE PAY EXCEPTION - CHECKS RETND	2	1	1	1		
MICR CHECK REJECTS >1% THROUGH 2%	-	-	13	4		
STOP PAYMENT - ONLINE	2	1	4	2		
DESKTOP DEPOSIT IMAGES RETRIEVED	984	836	1,011	944		
WELLSIMAGE PAID CHECK MONTHLY BASE	1	1	1	1		
CEO IMAGE VIEW < 90 DAYS - ITEM	18	6	16	13		
CEO IMAGE VIEW > 90 DAYS - ITEM	3			1		
POSITIVE PAY MONTHLY BASE	1	1	1	1		
POS PAY CHECKS WITH NO ISSUE RECORD	1	-	-	1		
POSITIVE PAY ONLY MONTHLY BASE	2	2	2	2		
POSITIVE PAY ONLY - ITEM	22	19	21	21		
WELLSIMAGE PAID CHECK PER CD	1	1	1	1		
WELLSIMAGE PAID CHECK DELUXE-ITEM	489	526	607	541		

**APPENDIX D**

**COST OF SERVICES**

**FINANCIAL INSTITUTION SERVICES BID FORM**

(All accounts, except for Rent Stabilization)

ITEM DESCRIPTION	2017			SELECTED AVERAGE VOLUME	UNIT PRICE	TOTAL PRICE
	OCTOBER VOLUME	NOVEMBER VOLUME	DECEMBER VOLUME			
DDA CHECKS PAID	556	626	781	654		
CEO SEARCH	-	-	40	13		
WF CHK CASHED FOR NONACCT HOLDER	2	2	3	2		
WELLSIMAGE PAID CHECK PER ITEM	489	526	607	541		
<b><u>PAPER DISBURSEMENT RECON SERVICES</u></b>						
CEO CHECK ISSUES - ITEM	9	5	8	7		
ARP MONTHLY BASE - PARTIAL	1	1	1	1		
CEO ARP STMT & RPTS MONTHLY BASE	3	3	3	3		
ARP MONTHLY BASE - FULL	1	1	1	1		
ARP FULL RECON-ITEM	535	839	646	673		
ARP OUTPUT - TRANSMISSION	3	3	3	3		
ARP OPTIONAL REPORTS	4	4	4	4		
ARP AGED ISSUE RECORDS ON FILE-ITEM	378	370	372	373		
OUTGOING TRANSMISSION - PER ITEM	524	550	627	567		
<b><u>GENERAL ACH SERVICES</u></b>						
ELECTRONIC CREDITS POSTED	745	656	626	676		
ACH MONTHLY BASE	2	2	2	2		
ACH ONE DAY ITEM	717	1,038	706	820		
ACH TWO DAY ITEM	-	1	-	1		
ACH SAME DAY	175	252	168	198		
ACH ORIGINATED - ADDENDA REC	101	131	105	112		
ACH RECEIVED ITEM	1,044	939	997	993		
ACH RETURN ADMIN ELECTRONIC	3	-	4	2		
ACH TRANSMISSION CHARGE	9	11	8	9		
ACH CEO FRAUD FILTER REVIEW MTHLYBASE	1	1	1	1		
ACH CEO FRAUD FILTER STOP MTHLYBASE	5	5	5	5		
ACH NOC - INFO REPORTNG ADVICE	-	1	1	1		
<b><u>WIRE &amp; OTHER FUNDS TRANSFER SERVICE</u></b>						
WIRE IN - DOMESTIC	3	4	4	4		
WIRE OUT DOMESTIC - CEO	4	4	5	4		
WIRE BOOK TRANSFER - CEO	11	13	8	11		
<b><u>INFORMATION SERVICES</u></b>						
DESKTOP DEPOSIT REPORT PER ITEM	984	836	1,011	944		
DESKTOP DEPOSIT MONTHLY BASE	1	1	1	1		
CEO WIRE XFR DETAIL US ACCT ITEM	20	25	22	22		
CEO SEARCH	17	12	34	21		
CEO PREVIOUS DAY REPORTING MAINTENANCE	8	8	8	8		
CEO PREVIOUS DAY ITEM LOADED	1,706	1,721	2,035	1,821		
CEO INTRADAY REPORTING MAINTENANCE	5	5	5	5		
CEO INTRADAY REPORTING ITEMS RPTD	32	27	52	37		
CEO EVENT MESSAGING SERVICE - EMAIL	318	281	295	298		
CEO WIRE XFR DETAIL US ACCT MO BASE	3	3	3	3		
INFO REPORTING HISTORY STORAGE 90	225	241	269	245		
INFO REPORTING HISTORY STORAGE 120	3,039	3,117	3,402	3,186		
CEO DEPOSIT DETAIL MAINTENANCE	1	1	1	1		
CEO PREV DAY EXP DESC - PER ITEM	62	80	119	87		
ARP STMTS & RPTS (CSV/EXCEL) BASE	3	3	3	3		
ARP STMTS & RPTS (CSV/EXCEL) / ITEM	1,404	3,614	5,743	3,587		
<b>Total Monthly Fees:</b>						

**APPENDIX D**

**COST OF SERVICES**

FINANCIAL INSTITUTION SERVICES BID FORM

RENT STABILIZATION HOUSING ONLY (RSH)

ITEM DESCRIPTION	2017			SELECTED AVERAGE	UNIT PRICE	TOTAL PRICE
	MAY VOLUME	JUNE VOLUME	JULY VOLUME			
<b><u>DEPOSITORY SERVICES</u></b>						
ACCOUNT MAINTENANCE	1	1	1	1		
PAPER CREDITS	10	38	-	16		
PAPER DEBITS	1	-	-	1		
DEPOSIT COVERAGE	193	978	1,706	959		
STATEMENT WITH CHECKS	1	1		1		
<b><u>WIRE TRANSFERS</u></b>						
WIRE MONTHLY PIN MAINTENANCE	1	1	1	1		
<b><u>LOCKBOX</u></b>						
MONTHLY MAINTENANCE	1	1	1	1		
DEPOSIT	11	42	9	21		
PER ITEM	239	819	137	398		
PHOTOCOPY	239	819	137	398		
EXCEPTIONS	2	5	-	2		
MICR	239	819	137	398		
DATA KEYSTROKE	9,704	34,068	6,969	16,914		
PACKAGE PREP	1	1	1	1		
TRANSMISSION	1	1	1	1		
HARDCOPY RPTS	1	1	1	1		
MAILOUT	241	824	137	401		
ACCOUNT CHARGE	1	-	-	1		
DEPOSITED ITEM	239	819	137	398		
<b><u>MISCELLANEOUS</u></b>						
AUDIT CONFIRMS	-	-	1	1		
<b>TOTAL COST</b>						

## APPENDIX D

### COST OF SERVICES

#### FINANCIAL INSTITUTION SERVICES BID FORM

**The dollar cost proposal must also include the following:**

i. Earning credit rate:

a. The earning credit rate used to offset fees (state both the method used to determine the rate and the rate for the months of October, November and December of 2017).

b. Please indicate your ability to carry over any excess earnings credit at the end of the City fiscal year and the maximum amount allowed for carryover.

c. Indicate what type of services may be billed to account analysis in addition to standard banking charges.

d. Provide a sample account analysis statement and a user guide for the account analysis information.

ii. If an automated sweep is proposed, the yield for the months of October, November and December 2017. The City would select a fund that complies with government code Section 53601, et. seq. and provides the best yield to the City.

iii. Cost of services should be based on the volume data included in this RFP. In the dollar cost proposal the Financial Institution can aggregate, if desired, individual lines items according to their practices. The Financial Institution must indicate the monthly (both unit cost and total cost) for each item. The Financial Institution must state the total monthly cost for all items.

iv. For new services, the Financial Institution must state the unit cost for each item, the monthly cost if it can be determined by the existing volume data, and any one-time costs for implementing the service (for example the cost of a check scanner used for remote deposit).

## APPENDIX E

### Specific Questions to be Answered and Submitted with Proposal

#### **I. QUESTIONS RELATED TO MINIMUM REQUIREMENTS (ANSWER YES OR NO)**

1. Is your Financial Institution a State of California chartered banking institution?
2. Is your Financial Institution a qualified depository for public funds pursuant to California Government Code Section 53648?
3. If your Financial Institution has a current Community Reinvestment Act (CRA) rating of “Satisfactory” or better in the State of California, as determined by the appropriate regulatory body, please provide an electronic copy of the most recent “Community Reinvestment Act (CRA) Evaluation” issued by the federal regulatory agency authorized to conduct such evaluations.
4. Does your Financial Institution have a relationship with the State Treasurer as an approved depository for Local Agency Investment Fund (LAIF) transactions or provide a process for transferring funds to/from LAIF that is equivalent to that of an approved depository?
  - a. Please describe the LAIF transfer process. Are the transfers done by telephone, terminal, fax, wire transfer, etc.?
  - b. Are the transfers to/from LAIF considered a “wire transfer”, an ACH transfer, or some other method? What is the cost for each method?
  - c. What is the availability of funds for transfers from LAIF to the City’s bank account?
  - d. Does the bank have an office in Sacramento that maintains a direct DDA banking relationship with the State Treasurer’s Office and the State Controller’s Office?
  - e. If you do not have a direct relationship with LAIF, how would the City make transfers to/from LAIF? Does this affect the timing of transfers? Is there additional cost to the City?
5. Does your Financial Institution have an existing relationship with Los Angeles County as an approved depository for Los Angeles County Treasurer Pooled Investments (LACT) transactions or provide a process for transferring funds to/from LACT that is equivalent to that of an approved depository.
  - a. Please describe the transfer process. Are the transfers done by telephone, terminal, fax, wire transfer, etc.?
  - b. Are the transfers to/from LA County Investment Pool considered a “wire transfer”, an ACH transfer, or some other method? What is the cost for each method?
  - c. What is the availability of funds for transfers from LA County Investment to the City’s bank account?
  - d. If you do not have a direct relationship with LA County Investment Pool, how would the City make transfers to/from LAIF? Does this affect the timing of transfers? Is there additional cost to the City?

## APPENDIX E

### II. QUESTIONS RELATED TO EXPERIENCE AND QUALIFICATIONS

#### A. Account Reconciliation

1. How many days after the end of the month is a list of outstanding check provided to the City?
2. What file type(s) does the bank use in transmitting a list of both outstanding checks and checks cleared?
3. How does your bank facilitate the viewing, by City staff, of checks cleared?
4. Does the system allow queries of individual items by amount, date, transaction type, etc.? Can reports and/or images be exported?
5. For online stop payment services, how are they confirmed and what is the duration of a stop payment? If available for different time segments, what is the cost?
6. Will the bank charge a fee each time data is downloaded or accessed on-line?
7. Can users specify the types of information that they want to view?
8. Describe the user friendliness and important features and capabilities about on-line data retrieving.
9. What reconciliation features does the bank have that distinguish it from other banks?
10. Is your online information reporting system owned and operated internally or is the system outsourced through a third party? If through a third party, please identify the third party. Are improvements and changes to the service controlled by the bank or a third party?
11. Do you have a demonstration site at which the City can preview sample same day and previous day reports available online from your bank? If yes, please provide a link to the site. If no, please provide print samples of the most useful reports available.

#### B. Availability of Funds

1. Is the availability of services different from those required by Federal laws and regulations? If so, please list the differences.
2. Does the Bank provide the option of viewing incoming ACH transactions prior to the actual posting? If so what method(s) is available to the City to view this data and what is the cost of each method.
3. What time is previous day and current day information available online?
4. Please describe your ability to provide online tools and resources to facilitate cash positioning and cash forecasting.
5. Do you offer an overnight, automated investment "sweep" service?
6. For overnight sweep accounts, what investment choices are available that comply with the government code?

#### C. Payroll Services

1. The City's payday is Wednesday.
  - a. What is the earliest day and time that the files can be transmitted?
  - b. What is the latest day and time that the files can be transmitted?
2. What are your procedures to notify the customer that the file transmission was successful or not? What is the time frame?



## APPENDIX E

3. Can your system handle single transaction deletion versus resubmitting an entire replacement file?
4. What is the process for retrieving a wire or ACH transaction if there is a City error in processing a fund transfer? What is the process for retrieving a wire or ACH transaction if there is a bank error in processing the fund transfer?
5. Please describe the bank's process for processing payroll direct deposit files and alternatives to file processing due to errors or technical problems.
6. Please describe the bank's process for processing various state and federal taxes including cut-off times and primary bank contacts – State and Federal payroll, State EDD, State BOE, etc.
7. What options does the bank provide for the few employees who are not on direct deposit?
8. For direct deposits, when will monies be available for an employees if:
  - a. They bank with your bank? (Currently, this is a same day service.)
  - b. They bank with a separate banking institution?
9. Describe your policy on cashing payroll or other City issued checks for City employees that do not have an account with your bank.
  - a. What are the fees?
  - b. Who absorbs the cost for cashing these checks – the bank, City or employees?

### D. Positive Pay

1. How are exception items under Positive Pay reported to the City? What is the procedure and timeline for paying or returning exception items?
2. In the event that the bank does not receive the City's pay decision response by the stated deadline, is the default disposition set by the bank or by the City? If the bank sets the default, what is the default disposition (e.g., pay, return, optional)?
3. Does the bank provide on-line check imaging so that the City could review the exception items electronically?
4. Describe all methods by which the City can send manual issues or deletes to the bank.
5. How does the bank confirm that a Positive Pay and/or ACH transmission has been received?
6. Provide sample Positive Pay reports provided by the bank.
7. Discuss the bank's policies and procedures for processing stale-dated items. If the City uses positive pay, will the City be notified of stale-dated items? If the City uses positive pay, can the bank enforce stale-dated items and return stale items unpaid to the bank of deposit?
8. Does the bank offer payee match as part of its positive pay service? Do branch tellers have access to the positive pay payee match file when negotiating a check for encashment?

### E. Deposit Services

1. What are the cut-off times for deposits at the bank's local branch, for scanned check items, and for incoming ACH/wires to ensure same day credit?
2. Indicate deposit options, including cash vault centers.
3. What information is provided for ACH deposits in order to identify the source of the deposit?

## APPENDIX E

4. Will returned deposit items be re-deposited at least once?
5. What supporting documenting is provided for deposit adjustments?
6. Does the bank limit the number of sub-accounts the City can set-up?
7. Will the City order deposit tickets and other supplies through the bank or directly from a vendor? How are the charges handled?

### F. Remote Deposit Services

1. Provide a brief description of your remote deposit service capabilities.
2. Does your service allow the deposit total to be entered before the scanning of checks?
3. Is there a limit on the number of checks that can be contained in a single batch? If so, describe.
4. Does your service allow our organization to make multiple deposits in a single day? If so, discuss any limitations.
5. Describe the process used for balancing and correcting deposits transmitted to the bank by the City.
6. Describe the procedures for handling exception items (e.g., MICR rejects, piggy back images, torn documents, foreign checks) received in a customer's deposit transmission.
7. What methodology does the remote deposit service use to identify duplicate items?
8. What period of time does the remote deposit service retain the images to detect duplicates?

### G. Wire Transfer Services

1. Briefly describe the process of initiation, approval and release of wires, including through the use of internet, mobile and telephone land line mediums.
2. Do any of the methods listed above provide for remote user initiation or release? If so, describe the method.
3. Please describe your process for recalling a wire when requested by the City. What additional charges are involved?
4. If wire transfers can be initiated online, what security systems or features are in place to allow for secure messaging for returns, recalls, investigations, and miscellaneous requests?
5. Please describe the bank's ability to establish varying degrees of authorization (i.e. multiple authorizers, maximum dollar amounts, etc.?).
6. What controls has the bank put in place to prevent wire transfer fraud?
7. What has been the bank's experience with fraud in the wire transfer area?
8. Please describe the bank's procedure for providing payment confirmation information (e.g., reference numbers) upon acceptance and execution of a wire.
9. How and when is the City notified of a wire transfer that is rejected by the receiving bank or at any point during the transaction of the wire?
10. What is the turnaround time for responding to inquiries about failed wire transfers?

## APPENDIX E

### H. Access to Historical Data

1. What are the electronic document storage options (CD or online and what are the retention periods?)
2. Can data be accessed on-line for transactions that occurred more than 365 days from the date processed?
3. What is the fee for accessing data?
4. Can cleared checks be accessed on line? If so for how long and what is the costs?

### I. Mobile Banking

1. Describe the mobile services you provide and their functionality on tablet mobile devices.
2. What security features are included with mobile banking and can it be utilized for commercial accounts?
3. Is your mobile information reporting system owned and operated internally or is the system outsourced through a third party? If through a third party, please identify the third party. Are improvements and changes to the service controlled by the bank or a third party?

### J. Merchant Services and Online/Web Payments

1. The City currently uses a third party vendor for Merchant Services. Please describe any specific requirements needed by your bank in order to work with another merchant services provider.
2. Provide an example of daily merchant activity that would be displayed on-line on a daily basis.
3. Describe methods by which the City can download activity into Excel by merchant accounts (the City uses AMEX and Visa/MasterCard).

### K. Fraud Protection

1. Describe how authentication tools (such as tokens) are distributed to users. Does the City need to identify one or more security administrators or is that function performed by your bank? What are the roles of City security administrators versus functions performed by your bank?
2. Explain how limits (access, functions and dollar limits) are assigned to users. Does your solution offer the ability to provide a report of all listed users and their rights and capabilities? How can the City verify that users and limits are properly assigned?
3. Can individual users be restricted to accessing information only on certain accounts or transaction types?
4. Does the system provide audit reports for users?
5. Can information be accessed from multiple locations?
6. What communications protocols/delivery methods are offered for file delivery (SFTP, E-mail, secure browser transmission, etc)? Is file delivery via the Internet available?
7. What safeguards and security measures are available or required when transmitting data (bank to City and City to bank)? (For example, but not limited to, wire transfers and online services etc.)
8. What fraud protections do you recommend (note: you must be able to provide all of the items that you recommend)?
9. What is the City's liability for fraudulent deposit items?

## APPENDIX E

### L. Business Continuity/ Disaster Preparation

1. Provide a copy of the bank's current disaster recovery/business continuity plan and how that plan provides for the interrupted delivery of financial information to the City of West Hollywood.
2. Please describe the redundancy measures that are in place to protect the City's bank information in case of a system failure. In case of a system failure, how long will it take the bank to provide the City with its banking information? Please provide a list of the number and length of time of outages in the past two years and the reasons for the outage.
3. Describe the disaster recovery/business continuity services that the bank could provide to City employees in case of an emergency. This explanation should include the ability for City employees to utilize a bank facility to conduct daily work including information reporting, electronic fund transfers and access to other non-bank financial services.
4. Describe any other services that might help the City provide services with minimum interruption, e.g. outsourcing of payroll processing, payroll cards, lines of credit, mobile banking, etc.
5. Please provide a copy of the most recent branch closing policy.

### M. Employee Credit Cards

1. The City currently has four bank issued credit cards issued to employees by its current bank. These cards are mainly used for travel arrangements and minor purchases.
  - a. If available, please describe the bank's credit card program, billing options and related fees.
  - b. Does the bank offer a reconciliation feature that could be used for travel expenses, if so, describe?
  - c. Describe any online account program management available for Program Administrator or for card holder use?

### N. Lockbox Services

1. The City currently has one lockbox to processes about 2,100 bills annually between May and July. The City has also begun to accept on-line credit card payments for these annual bills. Please describe your lockbox services for both retail and wholesale lockboxes.
2. Describe your ability to provide lockbox information in a file transfer that includes both data and images.
3. What information can be captured at the lockbox processing location including keying of data unique to the type of deposit such as annual rent stabilization filings, check images, coupons, envelopes and other information that may be required by the City to be included in the data transmission?
4. Please indicate the float times associated with processing lockbox deposits. When will the City receive credit for lockbox deposits?
5. What are the lockbox processing deadlines?
6. What is the error rate per 1,000 items processed?

## APPENDIX E

### O. Pricing and Fees

1. The City is requiring a minimum of five (5) year price schedule guarantee. If the Respondent is awarded this business, for how many years after the initial (5) year term will the Respondent guarantee the price schedule provided in its response to this proposals?
2. After the five (5) year period, how will the City be notified of a price change?
3. How will future price increases be determined? Can future price changes be indexed? If so, to what? Can future price increases be capped? If so, discuss.
4. What kind of technical support is provided during the implementation, and is there a charge for this support? If so, how will the City be billed?
5. What implementation allowances are provided?
6. Please describe the Respondent's policies and procedures regarding overdrafts? How does the bank charge for overdrafts?
7. What balances are reported on the account analysis statement? What balance or calculation is used to arrive at the investable balance?
8. How does the Respondent assess the reserve requirement? If captured, is it calculated as a percentage of the Average Net Collected Balance or Average Positive Collected Balance?
9. Please describe the method used to calculate and determine the Earnings Credit Rate (ECR).

APPENDIX E

**QUESTIONS RELATED TO SOCIAL RESPONSIBILITY**

A. Investments

Table 1: Please complete the following table for investments made by your Financial Institution in calendar year 2016 and 2017:

<b>Investments in the Following Socially Responsible Practices</b>	<b>2016 Yes/No</b>	<b>2016 Percentage Invested</b>	<b>2017 Yes/No</b>	<b>2017 Percentage Invested</b>
1. Investments that support community well-being; promote equality of rights regardless of race, sex, age, disability, or sexual orientation; and promote community economic development				
2. Investments made in entities that support a clean and healthy environment				
3. Investments with under-served communities, including small/medium, sized businesses, non-profits, affordable-housing developers and community facilities				
4. Investments in fossil fuel companies				
5. Investments in tobacco or tobacco related products				
6. Investments in private prisons, organizations or companies that support the production of weapons, military systems, or nuclear power				

APPENDIX E

B. Local Community Involvement

Table 2: Please complete the following table:

Community Involvement	Yes/No
1. Full service branch located in the City of West Hollywood? If yes, how many branches?	
2. Branch operating business hours are adequate for the community.  Enter hours of operations: Mon-Thurs Fri Sat Sun	

C. Commitment to the West Hollywood Community:

For the following two items, summarize your responses in a table format as follows:

1. Please describe any leadership activities that your bank participates in that shows your institution’s commitment to the West Hollywood Community; for the “Future” section below describe activities, including funding (if any), that you are committing to provide.

Past:	
Present:	
Future:	

2. Describe you involvement in communities that have a strong representation in West Hollywood (LGBTQ, seniors, Russian, etc.); for the “Future” section below, describe activities, including funding (if any), that you are committing to provide.

Past:	
Present:	
Future:	

## APPENDIX E

### D. Additional Questions:

1. Submit any innovative processes your institution is conducting or plans to conduct to promote healthy communities and that are socially responsible.
2. Please explain methods that will be used while conducting business in the City of West Hollywood that encourages recycling of materials and implementation of environmentally friendly practices and procedures.
3. Please describe your institutions initiatives to address the credit needs of City residents and businesses, including low and moderate income and minority residents.
4. Identify business products that are designed for the following consumers: un-banked or under-banked, elderly, youth, low income, no credit, poor credit, others. Describe your success, in number and dollar amount, for these target groups.
5. Please provide a copy of your latest annual financial report, discuss the financial stability of your institution, and provide an array of standard financial ratios that will demonstrate your financial health.
6. Provide ratings for the Financial Institution and/or Financial Institution holding company from Standard & Poor's, Moody's and Fitch Ratings in a table format for the last five years.
7. Provide a summary, in a table format, of your National and California ratings in a table for the last five years, if available.



**APPENDIX F**  
**CONTRACT REQUIREMENTS**  
**CITY OF WEST HOLLYWOOD**  
**AGREEMENT FOR PROFESSIONAL SERVICES**

This Agreement is made on this \_\_\_\_th day of \_\_\_\_\_, 2018, at West Hollywood, California, by and between the City of West Hollywood, a municipal corporation, 8300 Santa Monica Boulevard, West Hollywood, California 90069 (hereinafter referred to as the "CITY") and XYZ Company, 1500 ABC Street, City, CA 90000 (hereinafter referred to as the "CONTRACTOR").

**RECITALS**

- A. The CITY proposes to contract for professional services as outlined below;
- B. The CONTRACTOR is willing to perform such services and has the necessary qualifications by reason of experience, preparation, and organization to provide such services;
- C. NOW, THEREFORE, the CITY and the CONTRACTOR, mutually agree as follows:
1. **SERVICES.** The CONTRACTOR shall perform those services set forth in "Exhibit A," which is attached hereto and incorporated herein by reference.
  2. **TERM OF AGREEMENT.** The term of this contract shall commence upon execution by both parties and shall expire on June 30, 20\_\_ unless extended in writing in advance by both parties.
  3. **TIME OF PERFORMANCE.** The services of the CONTRACTOR are to commence upon receipt of a notice to proceed from the CITY and shall continue until all authorized work is completed to the CITY's satisfaction, in accordance with the schedule incorporated in "Exhibit A," unless extended in writing by the CITY.
  4. **PAYMENT FOR SERVICES.** The CONTRACTOR shall be compensated in an amount not to exceed \$\_\_\_\_\_ for services provided pursuant to this Agreement as described in "Exhibit A." Compensation shall under no circumstances be increased except by written amendment of this Agreement. The CONTRACTOR shall be paid within forty-five (45) days of presentation of an invoice to the CITY for services performed to the CITY's satisfaction. The CONTRACTOR shall submit invoices monthly describing the services performed, the date services were performed, a description of reimbursable costs, and any other information requested by the CITY.
  5. **CONTRACT ADMINISTRATION.**
    - 5.1. **The CITY's Representative.** Unless otherwise designated in writing, \_\_\_\_\_ shall serve as the CITY's representative for the administration of the project. All activities performed by the CONTRACTOR shall be coordinated with this person.
    - 5.2. **Manager-in-Charge.** For the CONTRACTOR, \_\_\_\_\_ shall be in charge of the project on all matters relating to this Agreement and any agreement or approval made by her/him shall be binding on the

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

CONTRACTOR. The Manager-in-Charge shall not be replaced without the written consent of the CITY.

- 5.3. **Responsibilities of the CITY.** The CITY shall provide all relevant documentation in its possession to the CONTRACTOR upon request in order to minimize duplication of efforts. The CITY's staff shall work with the CONTRACTOR as necessary to facilitate performance of the services.
- 5.4. **Personnel.** The CONTRACTOR represents that it has or will secure at its own expense all personnel required to perform the services under this Agreement. All of the services required under this Agreement will be performed by the CONTRACTOR or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. The CONTRACTOR reserves the right to determine the assignment of its own employees to the performance of the CONTRACTOR's services under this Agreement, but the CITY reserves the right, for good cause, to require the CONTRACTOR to exclude any employee from performing services on the CITY's premises.

**6. TERMINATION.**

- 6.1. **Termination for Convenience.** Either party may terminate this Agreement without cause and in its sole discretion at any time by giving the other party thirty (30) days' written notice of such termination. In the event of such termination, the CONTRACTOR shall cease services as of the date of termination and shall be compensated for services performed to the CITY's satisfaction up to the date of termination.
- 6.2. **Termination for Cause.** All terms, provisions, and specifications of this Agreement are material and binding, and failure to perform any material portion of the work described herein shall be considered a breach of this Agreement. Should the Agreement be breached in any manner, the CITY may, at its option, terminate the Agreement not less than five (5) days after written notification is received by the CONTRACTOR to remedy the violation within the stated time or within any other time period agreed to by the parties. In the event of such termination, the CONTRACTOR shall be responsible for any additional costs incurred by the CITY in securing the services from another contractor.
- 6.3. **Termination and Suspension of Service:**
  - 6.3.1. In the event of a termination of the contract, CONTRACTOR shall implement an orderly return of CITY DATA in a format as described in this Agreement at a time agreed to by the parties and the subsequently secure disposal of CITY DATA.
  - 6.3.2. During any period of service suspension, CONTRACTOR shall not take any action to intentionally erase or otherwise prevent access to any of CITY DATA.

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

6.3.3. In the event of termination of any SERVICES or agreement in entirety, CONTRACTOR shall not take any action to intentionally erase any of CITY DATA for a period of:

- 30 calendar days after the effective date of termination, if the termination is in accordance with the contract period.
- 60 calendar days after the effective date of termination, if the termination is for cause.
- 90 calendar days after the effective date of termination, if the termination is for convenience.

After such period, CONTRACTOR shall, unless legally prohibited, delete all of CITY DATA in its systems or otherwise in its possession or under its control.

6.3.4. CITY shall be entitled to any post-termination assistance generally made available with respect to the SERVICES, including assistance to decrypt otherwise encrypted CITY DATA.

6.3.5. CONTRACTOR shall securely dispose of all of CITY DATA in all of its forms, such as disk, CD/DVD, backup tape, and paper, when requested by CITY. Data shall be permanently deleted and shall not be recoverable, according to NIST-approved methods. Certificates of destruction shall be provided to CITY.

**7. DEFINITIONS.**

7.1. **CITY DATA:** The data as described in Sections [ ] and [ ] of this Agreement, which includes, without limitation, all collected, used, maintained, processed, stored, or generated by or on behalf of the City, including as the result of the use of Contractor's Services. CITY DATA includes without limitation CONFIDENTIAL INFORMATION.

7.2. **CONFIDENTIAL INFORMATION:** Confidential City Information including, but not limited to, personally-identifiable information, protected health information, or individual financial information (collectively, "Proprietary of CONFIDENTIAL INFORMATION") that is subject to local, state, or federal laws restricting the use and disclosure of such information, including, but not limited to Article 1, Section 1 of the California Constitution; the California Information Practices Act (Civil Code Section 1798 et seq.); the California Confidentiality of Medical Information Act (Civil Code Section 56 et seq.); the federal Gramm-Leach-Bliley Act (15 U.S.C. Sections 6801(b) and 6805(b)(2)); the privacy and information security aspects of the Administrative Simplification provisions of the federal Health Insurance Portability and Accountability Act (45 CFR Part 160 and Subparts A, C, and E of part 164).

7.3. **DATA BREACH:** Any access, destruction, loss, theft, use modification or disclosure of CITY DATA by an unauthorized party of that is in violation of the Agreement terms and/or applicable local, state, or federal law.

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

- 7.4. **SERVICES:** The provision by Contractor of the Services where Contractor's servers host the CITY DATA to perform the functionality listed in this Agreement.

**8. CITY DATA.**

- 8.1. **Type of Data.** CITY DATA includes: (a) the CITY's data that is collected, used, processed, stored, or generated as a result of the use of CONTRACTOR's Services; and (b) personally identifiable information (PII) collected, used, processed, stored, or generated as the result of the use of CONTRACTOR's Services, including without limitation, any information that identifies an individual, such as the individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements listed herein.
- 8.2. **Data Ownership:** CITY will own all rights, including all intellectual property rights, in and to CITY DATA to the extent allowable by law and any derivative works of CITY DATA will remain the exclusive property of CITY.
- 8.3. **Data Protection:** Protection of personal privacy and Data shall be an integral part of the business activities of CONTRACTOR to ensure there is no inappropriate or unauthorized access or use of CITY DATA at any time. To this end, CONTRACTOR shall safeguard the confidentiality, integrity, and availability of CITY DATA and comply with the following conditions:
- 8.3.1. CONTRACTOR shall implement and maintain appropriate administrative, technical, and organizational security measures to safeguard against unauthorized access, disclosure, or theft of CITY DATA. Such security measures shall be in accordance with recognized industry practice.
- 8.3.2. All Data obtained by CONTRACTOR in the performance of this Agreement shall become and remain property of CITY.
- 8.3.3. CONTRACTOR shall not use any information collected in connection with the service issued from this proposal for any purpose other than fulfilling the service without CITY's express written consent.
- 8.4. **Use of CITY DATA:** CONTRACTOR is provided a limited non-exclusive license to use CITY DATA solely for performing its obligations under the Agreement and not for CONTRACTOR's own purposes or later use. CONTRACTOR shall not access CITY DATA, except (1) in the course of data center operations, (2) in response to service or technical issues, (3) as required by the express terms of this Agreement, or (4) at CITY's written request. Unauthorized use of CITY DATA by CONTRACTOR or third parties is prohibited. For purposes of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored, or transmitted by the

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

Service for unrelated commercial purposes, advertising or advertising-related purposes, or for any other purpose other than security or service delivery analysis that is not explicitly authorized.

- 8.5. **Access to and Extraction of CITY DATA:** City shall have access to CITY DATA twenty-four (24) hours a day, seven (7) days a week. CONTRACTOR's Services shall be capable of creating a digital, reusable copy of CITY DATA, in whole and in parts, as a platform independent and machine-readable file. Such file formats include, without limitation, plain text files such as comma-delimited tables, extensible markup language, and javascript object notation. CITY DATA which is stored in binary formats, including without limitation portable document format, JPEG, and portable network graphics files, shall instead be reproducible in the same format in which it was provided to CONTRACTOR. This reusable copy must be made available in a publicly documented and non-proprietary format, with a clearly-defined data structure and a data dictionary for all terms contained in the data. For purposes of this section, non-proprietary formats include formats for which royalty-free codes are available to end-users. CONTRACTOR warrants that CITY shall be able to extract CITY DATA from CONTRACTOR's Services on demand, but no later than twenty-four (24) hours of CITY's request, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees to CONTRACTOR).
- 8.6. **Backup and Recovery of CITY DATA:** As part of CONTRACTOR's Services, CONTRACTOR is responsible for maintaining a backup of CITY DATA and for an orderly and timely recovery of such data in the event of corruption or the interruption of CONTRACTOR's Services. Unless otherwise described in Exhibit A, CONTRACTOR shall maintain a contemporaneous backup of CITY DATA that can be recovered within the requirements in this Agreement and as outlined in Exhibit C and maintaining the security of CITY DATA as further described herein. CONTRACTOR's backup of CITY DATA shall not be considered in calculating storage used by CITY.
9. **Data Security Incident or DATA BREACH:** In the event of any Data security incident, DATA BREACH, act, error, omission, negligence, or misconduct that compromises or is suspected to compromise security, confidentiality, or integrity of CITY DATA or the physical, technical, administrative, or organizational safeguards put in place by CONTRACTOR that relate to the protection of the security, confidentiality, or integrity of CITY DATA, CONTRACTOR shall, as applicable:
- 9.1. Notify the appropriate CITY identified person in this Agreement as soon as practicable, but no later than twenty-four (24) hours of becoming aware of such occurrence or suspected occurrence. CONTRACTOR shall also provide the following information:
- 9.1.1. The nature of the unauthorized access, use, or disclosure;
- 9.1.2. The information accessed, used, or disclosed;
- 9.1.3. The person(s) who accessed, used, and disclosed and/or received protected information, if known;

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

- 9.1.4. The efforts and steps CONTRACTOR has taken or will take to mitigate any deleterious effect of unauthorized access, use, or disclosure; and
- 9.1.5. The corrective action CONTRACTOR has taken or will take to prevent future unauthorized access, use, or disclosure.
- 9.2. In the event of a suspected DATA BREACH, CONTRACTOR shall keep CITY informed regularly of the progress of its investigation until the uncertainty is resolved.
- 9.3. In the event of a DATA BREACH, CONTRACTOR shall coordinate with CITY in CONTRACTOR's following DATA BREACH responsibilities:
  - 9.3.1. Immediately preserve any potential forensic evidence relating to the DATA BREACH, and remedy the DATA BREACH as quickly as circumstances permit;
  - 9.3.2. Promptly (within two (2) business days) designate a contact person to whom CITY will direct inquiries, and who will communicate CONTRACTOR's responses to CITY's inquires;
  - 9.3.3. As rapidly as circumstances permit, apply appropriate resources to remedy the DATA BREACH condition, investigate, document, restore SERVICES as directed by CITY, and undertake appropriate response activities;
  - 9.3.4. Provide status reports to CITY on DATA BREACH response activities, either on a daily basis or a frequency approved by CITY;
  - 9.3.5. Make all reasonable efforts to assist and cooperate with CITY in its DATA BREACH response efforts;
  - 9.3.6. Ensure that knowledgeable staff members of CONTRACTOR are available on short notice, if needed, to participate in CITY-initiated meetings and/or conference calls regarding the DATA BREACH; and
  - 9.3.7. Cooperate with CITY in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by CITY.
  - 9.3.8. In the case of personally identifiable information (PII) or protected health information (PHI), at CITY's sole election: (a) notify the affected individuals as soon as practicable, but no later than is required to comply with applicable law, or in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or, (b) reimburse CITY for any costs in notifying the affected individuals

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

- 9.3.9. In the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no fewer than eighteen (18) months following the date of notification to such individuals.
- 9.3.10. In the case of PII provide a website or a toll-free number and call center for affected individuals who comprise the PII as required by applicable law.
- 9.3.11. Perform or take any other actions required to comply with applicable law as a result of the DATA BREACH.
- 9.3.12. Without limiting CONTRACTOR's obligations of indemnification as further described in this Agreement, indemnify, defend, and hold harmless CITY for any and all claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from CITY in connection with the occurrence.
- 9.3.13. Recreate lost CITY DATA in the manner and on the schedule set by CITY without charge to CITY.
- 9.3.14. Provide CITY with a detailed plan within ten (10) calendar days of the DATA BREACH describing the measures CONTRACTOR will undertake to prevent a future DATA BREACH.
- 9.3.15. The Notification to affected individuals, as described above, shall comply with applicable law, be written in plain language, and contain (at CITY's election) information that may include: (a) name and contact information of CONTRACTOR's (or CITY's) representative; (b) a description of the nature of the loss; (c) how such loss may affect the individual; (d) what steps the affected individual can take to protect himself or herself; (e) contact information for major credit card reporting agencies; and (f) information regarding the credit and identity monitoring services to be provided by CONTRACTOR.
- 9.3.16. CONTRACTOR shall bear the costs associated with (1) the investigation and resolution of the DATA BREACH; (2) notifications to individuals, regulators, or others required by state law; (3) a credit monitoring service required by state (or federal) law; (4) a website or a toll-free number and call center for affected individuals required by state law; and (5) complete all corrective actions as reasonably determined by CONTRACTOR based on root cause.
- 9.3.17. CONTRACTOR shall retain and preserve CITY DATA in accordance with CITY's instruction and requests, including without limitation any retention schedules and/or litigation hold orders provided by CITY to CONTRACTOR independent of where CITY DATA is stored.

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

- 9.3.18. CONTRACTOR shall contact CITY upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to CITY DATA under this Agreement. CONTRACTOR shall not respond to subpoenas, service of process, and other legal requests related to CITY without first notifying CITY, unless prohibited by law from providing such notice.
- 9.3.19. CITY shall conduct all media communications related to such a DATA BREACH unless at its sole discretion it directs CONTRACTOR to do so.

**10. PROPRIETARY OR CONFIDENTIAL INFORMATION.**

- 10.1. **Proprietary or CONFIDENTIAL INFORMATION of CITY.** CONTRACTOR understands and agrees that, in the performance of the work under this Agreement or in contemplation thereof, CONTRACTOR may have access to private or CONFIDENTIAL INFORMATION which may be owned or controlled by CITY and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to CITY. CONTRACTOR agrees that all information disclosed by CITY to CONTRACTOR shall be held in confidence and used only in performance of the Agreement. CONTRACTOR shall exercise the same standard of care to protect such information as a reasonably prudent CONTRACTOR would use to protect its own proprietary data.
- 10.2. **Obligation of Confidentiality.** The parties agree to hold all CONFIDENTIAL INFORMATION in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such CONFIDENTIAL INFORMATION to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Agreement, or to use such CONFIDENTIAL INFORMATION for any purposes whatsoever other than the performance of this Agreement. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all CONFIDENTIAL INFORMATION confidential.
- 10.3. **Nondisclosure.** The receiving party of proprietary or CONFIDENTIAL INFORMATION agrees and acknowledges that it shall have no proprietary interest in the CONFIDENTIAL INFORMATION and will not disclose, communicate, nor publish the nature or content of such information to any person or entity, nor use, except in connection with the performance of its obligations under this Agreement or as otherwise authorized in writing by the disclosing party, any of the CONFIDENTIAL INFORMATION it produces, receives, acquires or obtains from the disclosing party. The receiving party shall take all necessary steps to ensure that the CONFIDENTIAL INFORMATION is securely maintained. The receiving party's obligations set forth herein shall survive the termination or expiration of this Agreement. In the event the receiving party becomes legally compelled to disclose any of the CONFIDENTIAL INFORMATION, it shall provide the disclosing party with prompt notice thereof and shall not divulge any information until the disclosing party has had the opportunity to seek a protective order or other appropriate remedy to curtail such disclosure. If such actions by the disclosing party are



**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

unsuccessful, or the disclosing party otherwise waives its right to seek such remedies, the receiving party shall disclose only that portion of the CONFIDENTIAL INFORMATION which it is legally required to disclose.

- 10.4. **Cooperation to Prevent Disclosure of CONFIDENTIAL INFORMATION.** Each party shall use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any CONFIDENTIAL INFORMATION. Without limiting the foregoing, each party shall advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to CONFIDENTIAL INFORMATION has violated or intends to violate the terms of this Agreement and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- 10.5. **Remedies for DATA BREACH of Obligation of Confidentiality.** Each party acknowledges that DATA BREACH of its obligation of confidentiality may give rise to irreparable damages. Accordingly, a party may seek and obtain injunctive relief against the DATA BREACH or threatened DATA BREACH of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of CITY, at the sole election of CITY, the immediate termination, without liability to CITY, of this Agreement.
- 10.6. **Data Security.** CONTRACTOR shall at all time during this Agreement provide and maintain up-to-date security with respect to the following, (a) the SERVICES; (b) CONTRACTOR's website; (c) CONTRACTOR's physical facilities; and (d) CONTRACTOR's networks, to prevent unauthorized access or "hacking" of CITY DATA.
- 10.6.1. CONTRACTOR shall provide security for its networks and all internet connections consistent with best practices observed by well-managed hosting companies working in the financial services industry, and will promptly install all patches, fixes, upgrade, update, and new versions of any security software it employs.
- 10.6.2. CONTRACTOR will maintain appropriate safeguards to restrict access to CITY DATA to those employees, agents, or service providers of CONTRACTOR who need the information to carry out the purposes for which it was disclosed to CONTRACTOR.
- 10.6.3. For information disclosed in electronic form, CONTRACTOR agrees that appropriate safeguards include electronic barriers (e.g., "firewalls"; Transportation Layer Security (TLS); Secure Socket Layer [SSL] encryption, or most current industry standard encryption, intrusion prevention/detection or similar barriers) and secure authentication (e.g. password protected) access to CITY's CONFIDENTIAL INFORMATION and hosted CITY DATA.
- 10.6.4. For information disclosed in written form, CONTRACTOR agrees that appropriate safeguards include secured storage of CITY DATA. CITY DATA shall be encrypted at rest and in transit with controlled access.

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

10.6.5. CONTRACTOR also will establish and maintain any additional physical, electronic, administrative, technical, and procedural controls, and safeguards to protect CITY DATA that are no less rigorous than accepted industry practices (including, as periodically amended or updated, the International Organization for Standardization's standards: ISO/IEC 27001:2005 – Information Security Management Systems – Requirements and ISO-IEC 27001:2005 – Information Security Management Systems – Requirements and ISO-IEC 27002:2005 – Code of Practice for International Security Management, NIST Special Publication 800-53 Revision 4 or its successor, the Information Technology Library (ITIL) Standards, the Control Objectives for Information and related Technology (COBIT) Standards or other applicable industry standards for information security), and shall ensure that all such controls and safeguards, including the manner in which CONFIDENTIAL INFORMATION is collected, accessed, used, stored, proceeded, disposed of and disclosed, comply with applicable data protection and privacy laws, as well as the terms and conditions of this Agreement.

10.6.6. CONTRACTOR warrants to CITY compliance with the following (as periodically amended or updated) as applicable and required:

10.6.6.1. The California Information Practices Act (Civil Code Section 1798, et seq.);

10.6.6.2. The Federal Risk and Authorization Management Program (FedRAMP) certification, where federal funding is involved, and show evidence of having an active compliance program;

10.6.6.3. Based upon CITY's classification of Data, as applicable: (a) relevant security provisions of the Social Security Administration (SSA) Document Electronic Information Exchange Security Requirement and Procedures for State and Local Agencies Exchanging Electronic Information with the Social Security Administration; (b) relevant security provisions of the Criminal Justice Services (CJIS) Security policy; (c) relevant security provisions of the Medi-Cal Privacy and Security Agreement between the California Department of Health Care Services and the County of Los Angeles.

10.7. **Data Transmission.** CONTRACTOR shall ensure that all electronic transmission or exchange of system data with CITY and/or any other parties expressly designated by CITY shall take place via encrypted secure means (using HTTPS or SFTP or most current electronic encryption methods). CONTRACTOR shall also ensure that all data exchanged shall be used expressly and solely for the purposes enumerate in the Agreement. Data shall not be distributed, repurposed, or shared across other applications, environments, or business units of CONTRACTOR. CONTRACTOR shall

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

ensure that no CITY DATA of any kind shall be copied, modified, destroyed, deleted, transmitted, exchanged, or otherwise passed to other vendors or interested parties except on case-by-case basis as specifically agreed to in writing by CITY. Access to CITY DATA by CONTRACTOR from outside the continental United States is prohibited.

11. **Disaster Recovery.** In the event of a disaster, as defined below, CONTRACTOR will be responsible for providing disaster recovery service in accordance with the provisions of the disaster recovery plan attached as Exhibit D . In the event that a disaster occurs and CONTRACTOR fails to restore the hosting SERVICES within twenty-four (24) hours of the initial disruption to SERVICES, CITY may, in its discretion, deem such actions to be a material default by CONTRACTOR incapable of cure, and CITY may immediately terminate this Agreement. For purposes of this Agreement, a “disaster” shall mean an interruption in the hosting SERVICES or the inability of CONTRACTOR to provide CITY with the SERVICES for any reason that could not be remedied by relocating the SERVICES to a different physical location outside the proximity of its primary Data Center
12. **INDEMNIFICATION.** Contractor shall indemnify and hold harmless City from and against all liability arising out of or in connection with Contractor's negligent or wrongful acts, errors or omissions in the performance of work hereunder or its failure to comply with any of its obligations contained in this Agreement. In the event that City is named as a party defendant in a lawsuit alleging injury as a result of Contractor's negligent or wrongful performance under this Agreement, Contractor shall defend City with counsel approved by CITY, which approval will not be unreasonably withheld, and bear responsibility for attorney's fees, expert fees and all other costs and expenses of litigation. Should conflict of interest principles preclude a single lawyer from representing both City and Contractor, or should City otherwise find Contractor's legal counsel unacceptable, then Contractor shall reimburse the City its costs of defense, including without limitation reasonable attorney's fees, expert fees and all other costs and expenses of litigation. Contractor shall promptly pay any final, non-appealable judgment rendered against the CITY. It is expressly understood and agreed that the foregoing provisions are intended to be as broad and inclusive as is permitted by the law of the State of California but the indemnity obligation will exclude such loss or damage which is determined to be caused by the sole negligence or willful misconduct of the City. The obligations established by this paragraph will survive termination of this Agreement.

For purposes of this paragraph:

- City means the City Council and its subordinate bodies, elected and appointed City officials and officers, City employees and authorized agents and volunteers of the City.
- Liability means any claims or causes of action raised or asserted by, damage to, loss or expense incurred by or judgments rendered in favor of persons or entities not a party to this Agreement.
- The types of damages included within this indemnity obligation include, but are not limited to, personal injury, bodily injury, death, loss of use, and damage to or loss of real and personal property.
- The indemnity obligation of this paragraph includes all forms of negligent acts, errors and omissions, wrongful behavior and willful misconduct (including but not limited to breaches of professional standards of care, if

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

applicable, and breach of contract) by Contractor and any of its officers, agents employees and subcontractors.

**13. INSURANCE REQUIREMENTS.**

13.1. The CONTRACTOR, at the CONTRACTOR's own cost and expense, shall procure and maintain, for the duration of the contract, the following insurance policies:

13.1.1. **Workers' Compensation Coverage.** The CONTRACTOR shall maintain Workers' Compensation Insurance and Employer's Liability Insurance for its employees in accordance with the laws of the State of California. In addition, the CONTRACTOR shall require any and every subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with the laws of the State of California for all of the subcontractor's employees. Any notice of cancellation or non-renewal of all Workers' Compensation policies must be received by the CITY at least thirty (30) days prior to such change. The insurer shall agree to waive all rights of subrogation against the CITY, its officers, agents, employees, and volunteers for losses arising from work performed by the CONTRACTOR for City.

This provision shall not apply if the CONTRACTOR has no employees performing work under this Agreement. If the CONTRACTOR has no employees for the purposes of this Agreement, the CONTRACTOR shall sign the "Certificate of Exemption from Workers' Compensation Insurance" which is attached hereto and incorporated herein by reference as "Exhibit B."

13.1.2. **General Liability Coverage.** The CONTRACTOR shall maintain commercial general liability insurance in an amount of not less than one million dollars (\$1,000,000) per occurrence for bodily injury, personal injury, and property damage. If a commercial general liability insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit.

13.1.3. **Automobile Liability Coverage.** The CONTRACTOR shall maintain automobile liability insurance covering bodily injury and property damage for all activities of the CONTRACTOR arising out of or in connection with the work to be performed under this Agreement, including coverage for owned, hired, and non-owned vehicles, in an amount of not less than three hundred thousand dollars (\$300,000) combined single limit for each occurrence. If CONTRACTOR or CONTRACTOR's employees will use personal autos in any way on this project, CONTRACTOR shall obtain evidence of personal auto liability coverage for each such person.

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

13.1.4. **Professional Liability Coverage.** The CONTRACTOR shall maintain professional errors and omissions liability insurance for protection against claims alleging negligent acts, errors, or omissions which may arise from the CONTRACTOR's operations under this Agreement, whether such operations be by the CONTRACTOR or by its employees, subcontractors, or subconsultants. The amount of this insurance shall not be less than one million dollars (\$1,000,000) on a claims-made annual aggregate basis, or a combined single-limit-per-occurrence basis.\

13.1.5. **Cyber Security Insurance Coverage.** CONTRACTOR shall maintain Cyber and Privacy Insurance with limits of not less than \$2,000,000 per occurrence and \$4,000,000 general aggregate. Such insurance shall include coverage for liability arising from theft, dissemination, and/or use of CONFIDENTIAL INFORMATION, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information or other personally identifying information, stored or transmitted in electronic form.

13.1.6. **Technology Errors and Omissions Liability Coverage.** CONTRACTOR shall procure a policy that at a minimum covers professional misconduct or lack of the requisite skill required for the performance of SERVICES defined in this Agreement in an amount of not less than one million dollars (\$1,000,000) per occurrence and two millions dollars (\$2,000,000) in the aggregate. The policy shall also provide coverage for the following risks:

13.1.6.1. **Dissemination of CONFIDENTIAL INFORMATION.**

Liability arising from theft, dissemination, and/or use of CONFIDENTIAL INFORMATION, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information, or other personally identifying information, stored or transmitted in electronic form;

13.1.6.2. **Unauthorized Access.** Network security liability arising from the unauthorized access to, use of, or tampering with computers or computer systems, including hacker attacks; and

13.1.7. **Malicious Software.** Liability arising from the introduction of any form of malicious software including computer viruses into, or otherwise causing damage to CITY's or third person's computer, computer system, network, or similar computer related property and the data, software, and programs thereon

13.2. **Endorsements.** Each general liability and automobile liability insurance policy shall be issued by insurers possessing a Best's rating of no less than A:VII. Each general liability insurance policy shall be endorsed with the

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

specific language of Section 8.2.1 below. CONTRACTOR also agrees to require all contractors, and subcontractors to do likewise.

- 13.2.1. "The CITY, its elected or appointed officers, officials, employees, agents, and volunteers are to be covered as additional insureds with respect to liability arising out of work performed by or on behalf of the CONTRACTOR, including materials, parts, or equipment furnished in connection with such work or operations."
  - 13.2.2. This policy shall be considered primary insurance as respects the CITY, its elected or appointed officers, officials, employees, agents, and volunteers. Any insurance maintained by the CITY, including any self-insured retention the CITY may have, shall be considered excess insurance only and shall not contribute with this policy.
  - 13.2.3. This insurance shall act for each insured and additional insured as though a separate policy had been written for each, except with respect to the limits of liability of the insuring company.
  - 13.2.4. Notwithstanding the provisions included in any of the ISO Additional Insured Endorsement forms, CONTRACTOR acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amounts of coverage required. Any insurance proceeds available to the CITY in excess of the limits and coverage required in this agreement and which is applicable to a given loss will be available to the CITY.
  - 13.2.5. The insurer waives all rights of subrogation against the CITY, its elected or appointed officers, officials, employees, or agents regardless of the applicability of any insurance proceeds, and agrees to require all subcontractors to do likewise.
  - 13.2.6. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its elected or appointed officers, officials, employees, agents, or volunteers.
  - 13.2.7. The insurance provided by this policy shall not be suspended, voided or reduced in coverage or in limits except after thirty (30) days' written notice has been submitted to the CITY and approved of in writing, except in the case of cancellation, for which ten (10) days' written notice shall be provided.
  - 13.2.8. Contractor agrees to provide immediate notice to City of any claim or loss against Contractor arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.
- 13.3. **Self Insured Retention/Deductibles.** All policies required by this Agreement shall allow City, as additional insured, to satisfy the self-insured retention ("SIR") and/or deductible of the policy in lieu of the Owner (as the named

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

insured) should Owner fail to pay the SIR or deductible requirements. The amount of the SIR or deductible shall be subject to the approval of the City Attorney and the Finance Director. Owner understands and agrees that satisfaction of this requirement is an express condition precedent to the effectiveness of this Agreement. Failure by Owner as primary insured to pay its SIR or deductible constitutes a material breach of this Agreement. Should City pay the SIR or deductible on Owner's behalf upon the Owner's failure or refusal to do so in order to secure defense and indemnification as an additional insured under the policy, City may include such amounts as damages in any action against Owner for breach of this Agreement in addition to any other damages incurred by City due to the breach.

- 13.4. **Certificates of Insurance.** The CONTRACTOR shall provide certificates of insurance with original endorsements to the CITY as evidence of the insurance coverage required herein. Certificates of such insurance shall be filed with the CITY on or before commencement of performance of this Agreement. Current certification of insurance shall be kept on file with the CITY at all times during the term of this Agreement. The CONTRACTOR shall provide written evidence of current automobile coverage to comply with the automobile insurance requirement.
- 13.5. **Failure to Procure Insurance.** Failure on the part of the CONTRACTOR to procure or maintain required insurance shall constitute a material breach of contract under which the CITY may terminate this Agreement pursuant to Section 6.2 above.
14. **ASSIGNMENT AND SUBCONTRACTING.** The parties recognize that a substantial inducement to the CITY for entering into this Agreement is the professional reputation, experience, and competence of the CONTRACTOR. Assignments of any or all rights, duties, or obligations of the CONTRACTOR under this Agreement will be permitted only with the express consent of the CITY. The CONTRACTOR shall not subcontract any portion of the work to be performed under this Agreement without the written authorization of the CITY. If the CITY consents to such subcontract, the CONTRACTOR shall be fully responsible to the CITY for all acts or omissions of the subcontractor. Nothing in this Agreement shall create any contractual relationship between the CITY and subcontractor nor shall it create any obligation on the part of the CITY to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise is required by law.
15. **COMPLIANCE WITH LAWS, CODES, ORDINANCES, AND REGULATIONS.** The CONTRACTOR shall use the standard of care in its profession to comply with all applicable federal, state, and local laws, codes, ordinances, and regulations.
- 15.1. **Taxes.** The CONTRACTOR agrees to pay all required taxes on amounts paid to the CONTRACTOR under this Agreement, and to indemnify and hold the CITY harmless from any and all taxes, assessments, penalties, and interest asserted against the CITY by reason of the independent contractor relationship created by this Agreement. In the event that the CITY is audited by any Federal or State agency regarding the independent contractor status of the CONTRACTOR and the audit in any way fails to sustain the validity of a wholly independent contractor relationship between the CITY and the

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

CONTRACTOR, then the CONTRACTOR agrees to reimburse the CITY for all costs, including accounting and attorneys' fees, arising out of such audit and any appeals relating thereto.

- 15.2. **Workers' Compensation Law.** The CONTRACTOR shall fully comply with the workers' compensation law regarding the CONTRACTOR and the CONTRACTOR's employees. The CONTRACTOR further agrees to indemnify and hold the CITY harmless from any failure of the CONTRACTOR to comply with applicable workers' compensation laws. The CITY shall have the right to offset against the amount of any compensation due to the CONTRACTOR under this Agreement any amount due to the CITY from the CONTRACTOR as a result of the CONTRACTOR's failure to promptly pay to the CITY any reimbursement or indemnification arising under this Section.
- 15.3. **Licenses.** The CONTRACTOR represents and warrants to the CITY that it has all licenses, permits, qualifications, insurance, and approvals of whatsoever nature which are legally required of the CONTRACTOR to practice its profession. The CONTRACTOR represents and warrants to the CITY that the CONTRACTOR shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance, and approvals which are legally required of the CONTRACTOR to practice its profession. The CONTRACTOR shall maintain a City of West Hollywood business license, if required under CITY ordinance.
16. **CONFLICT OF INTEREST.** The CONTRACTOR confirms that it has no financial, contractual, or other interest or obligation that conflicts with or is harmful to performance of its obligations under this Agreement. The CONTRACTOR shall not during the term of this Agreement knowingly obtain such an interest or incur such an obligation, nor shall it employ or subcontract with any person for performance of this Agreement who has such incompatible interest or obligation.
17. **NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY.** The CONTRACTOR represents and agrees that it does not and will not discriminate against any employee or applicant for employment because of race, religion, color, national origin, sex, sexual orientation, gender identity, political affiliation or opinion, medical condition, or pregnancy or pregnancy-related condition. The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, religion, color, national origin, sex, sexual orientation, gender identity, political affiliation or opinion, medical condition, or pregnancy or pregnancy-related condition. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoffs or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTOR agrees to include in all solicitations or advertisements for employment and to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
18. **LIVING WAGE ORDINANCE.** The CONTRACTOR shall abide by the provisions of the West Hollywood Living Wage Ordinance. During the term of this Agreement, the



**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

CONTRACTOR shall keep on file sufficient evidence of its employee compensation to enable verification of compliance with the West Hollywood Living Wage Ordinance.

19. **EQUAL BENEFITS ORDINANCE, No. 03-662.** The CONTRACTOR shall abide by the provisions of the West Hollywood Equal Benefits Ordinance. During the term of this Agreement, the CONTRACTOR shall keep on file sufficient evidence of its employee compensation and any applicable benefits packages, as those benefits relate to the coverage of the domestic partners of contractor's employees, which shall include; bereavement leave; family medical leave, and health insurance benefits, to enable verification of compliance with the West Hollywood Equal Benefits Ordinance.
20. **RESTRICTIONS: Arab League Boycott of Israel.** The CONTRACTOR hereby affirms it does not honor the Arab League Boycott of Israel.
21. **RECORDS AND AUDITS.** The CONTRACTOR shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to this Agreement and such other records as may be deemed necessary by the CITY or any authorized representative. All records shall be made available at the request of the CITY, with reasonable notice, during regular business hours, and shall be retained by the CONTRACTOR for a period of three years after the expiration of this Agreement.
22. **OWNERSHIP OF DOCUMENTS.** It is understood and agreed that the CITY shall own all documents and other work product of the CONTRACTOR, except the CONTRACTOR's notes and workpapers, which pertain to the work performed under this Agreement. The CITY shall have the sole right to use such materials in its discretion and without further compensation to the CONTRACTOR, but any re-use of such documents by the CITY on any other project without prior written consent of the CONTRACTOR shall be at the sole risk of the CITY. The CONTRACTOR shall at its sole expense provide all such documents to the CITY upon request.
23. **INDEPENDENT CONTRACTOR.** The CONTRACTOR is and shall at all times remain as to the CITY a wholly independent CONTRACTOR. Neither the CITY nor any of its agents shall have control over the conduct of the CONTRACTOR or any of the CONTRACTOR's employees or agents, except as herein set forth. The CONTRACTOR shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of the CITY. The CONTRACTOR shall have no power to incur any debt, obligation, or liability on behalf of the CITY or otherwise act on behalf of the CITY as an agent.
24. **NOTICE.** All Notices permitted or required under this Agreement shall be in writing, and shall be deemed made when delivered to the applicable party's representative as provided in this Agreement. Additionally, such notices may be given to the respective parties at the following addresses, or at such other addresses as the parties may provide in writing for this purpose.

Such notices shall be deemed made when personally delivered or when mailed forty-eight (48) hours after deposit in the U.S. mail, first-class postage prepaid, and addressed to the party at its applicable address.

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

City of West Hollywood  
Department of Finance & Technology Services  
8300 Santa Monica Blvd.  
West Hollywood, CA 90069-6216

Attention: \_\_\_\_\_

**CONTRACTOR:**  
Organization Name  
Street Address, City State ZIP

Attention: \_\_\_\_\_

25. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of California.
26. **ENTIRE AGREEMENT; MODIFICATION.** This Agreement supersedes any and all other agreements, either oral or written, between the parties, and contains all of the covenants and agreements between the parties. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein. Any agreement, statement, or promise not contained in the Agreement, and any modification to the Agreement, will be effective only if signed by both parties.
27. **WAIVER.** Waiver of a breach or default under this Agreement shall not constitute a continuing waiver of a subsequent breach of the same or any other provision under this agreement. Payment of any invoice by the CITY shall not constitute a waiver of the CITY's right to obtain correction or replacement of any defective or noncompliant work product.
28. **EXECUTION.** This Agreement may be executed in several counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.
29. **AUTHORITY TO ENTER AGREEMENT.** The CONTRACTOR has all requisite power and authority to conduct its business and to execute, deliver, and perform this Agreement. Each party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and to bind each respective party.

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR PROFESSIONAL SERVICES**

IN WITNESS WHEREOF, the parties have executed this Agreement the \_\_\_\_ day of \_\_\_\_\_, 2018.

CONTRACTOR:

\_\_\_\_\_  
Name, Title

CITY OF WEST HOLLYWOOD:

\_\_\_\_\_  
Department Director

\_\_\_\_\_  
Paul Arevalo, City Manager

ATTEST:

\_\_\_\_\_  
Yvonne Quarker, City Clerk

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR SERVICES  
Exhibit A**

**Scope of Services:**

Include specific tasks, in-person meetings, interim work products (if any) and at least one final work product (e.g., a report or memo).

**Time of Performance:**

Include a schedule or timeline for delivering interim and final work products. May include specific dates or the number of weeks (e.g., within 30 days of project initiation).

**Special Payment Terms:**

NONE

(only if additional to section C.4. on page 1)

E.g., include a pricing sheet or hourly rate, if required or implied. Otherwise, state "None".

**CITY OF WEST HOLLYWOOD  
AGREEMENT FOR SERVICES**

**Exhibit B**

**Certificate of Exemption from  
Workers' Compensation Insurance**

<i>TO:</i>	City of West Hollywood
<i>SUBJECT:</i>	Sole Proprietor/Partnership/Closely Held Corporation with No Employees

Please let this memorandum notify the City of West Hollywood that I am a

- sole proprietor
- partnership
- nonprofit organization
- closely held corporation

and **do not have any employees whose employment requires me to carry workers' compensation insurance.** Therefore, I do not carry worker's compensation insurance coverage.

Contractor Signature \_\_\_\_\_

Printed Name of Contractor \_\_\_\_\_

Date \_\_\_\_\_