


Master Purchase Order

DO NOT INVOICE TO THIS ADDRESS		 DENVER <small>THE MILE HIGH CITY</small>	Supplier Contract No. SC-00004415	
City & County of Denver			Date: November 12, 2019	Revision No.
Purchasing Division			Payment Terms	
201 West Colfax Avenue, Dept. 304			Resolution (if applicable):	
Denver, CO 80202			Freight Terms DESTINATION	
United States			Ship Via Supplier's Choice	
Phone: 720-913-8100 Fax: 720-913-8101			Buyer: Jeff Wylde, CPPB	
		Phone: 720-913-8157		

Workday: DENVR0000092050 Phone: 303-530-3403 Fax: 303-530-0694 Email: Mike.mcdaniel@outputservices.com
 Supplier ID:

Output Services, Inc.
 6410 Odell Place
 Boulder, CO 80301
 Attn: Mike McDaniel

Ship To: USPS
 Bill To: Accounts Payable
 201 West Colfax, Department 908
 Denver, CO 80202

Colorado Secretary of State ID: 19891003244
 U.S. Federal SAM Registry Verification Date: 11/13/2019

1. Goods/Services:

Output Services, Inc., a Corporation in the State of Colorado, ("Supplier") shall provide the goods, and any services related thereto, identified and described on attached Exhibit A, to the City and County of Denver, a Colorado municipal corporation (the "City"), all in accordance with the terms and conditions of this Master Purchase Order.

2. Ordering:

The City shall purchase one or more of the goods/services by issuing a written purchase order(s) or similar appropriate written document ("Order"), each of which will be deemed incorporated into this Agreement for purposes of such Order only.

3. Pricing:

The pricing/rates for the goods/services is contained on Exhibit A and shall be held firm for the term of this Master Purchase Order.

4. Extension or Renewal:

The effective period of this Master Purchase Order shall be from January 1, 2020 to and including December 31, 2022. It is also a specific provision of this Master Purchase Order that the City and the Supplier may mutually agree to renew and continue this Purchase Order for additional periods of one year at the same prices, terms and conditions. However, no more than two (2) yearly extensions shall be made to the original Master Purchase Order. The Master Purchase Order shall not exceed a total of five (5) years in aggregate.

5. Inspection and Acceptance:

Supplier shall perform any services in accordance with the standard of care exercised by highly competent Suppliers who perform like or similar services. City may inspect all goods/services prior to acceptance. Payment does not constitute acceptance. Supplier shall bear the cost of any inspection/testing that reveal goods/services that are defective or do not meet specifications. City's failure to accept or reject goods/services shall not relieve Supplier from its responsibility for such goods/services that are defective or do not meet specifications nor impose liability on City for such goods/services. If any part of the goods/services are not acceptable to City, City may, in addition to any other rights it may have at law or in equity: (1) make a warranty claim; (2) repair and/or replace the goods or substitute other services at Supplier's expense; or reject and return the goods at Supplier's cost and/or reject the services at Supplier's expense for full credit. Any rejected goods/services are not to be replaced without written authorization from City, and any such replacement shall be on the same terms and conditions contained in this Purchase Order.

6. Shipping, Taxes and Other Credits and Charges:

All pricing is F.O.B. destination unless otherwise specified. Shipments must be marked with Supplier's name, the Master Purchase Order number, and contain a delivery or packing slip. Supplier shall not impose any charges for boxing, crating, parcel post, insurance, handling, freight, express or other similar charges or fees. Supplier shall notify City in writing of any price decreases immediately, and City shall receive the benefit thereof on all unshipped items. Supplier shall comply with any additional delivery terms specified herein. Supplier shall be responsible for the cleanup and reporting of any contamination (environmental or otherwise) or spillage resulting from the delivery and/or unloading of goods within twenty-four (24) hours of the contamination or spillage or sooner if required by law. Supplier shall procure all permits and licenses; pay all charges, taxes and fees; and give all notices necessary and incidental to the fulfillment of this Master Purchase Order and all cost thereof have been included in the prices contained herein. City shall not be liable for the payment of taxes, late charges or penalties of any nature, except as required by D.R.M.C. § 20-107, et seq. The price of all goods/services shall reflect all applicable tax exemptions. City's Federal Registration No. is 84-6000580 and its State Registration No. is 98-02890. Supplier shall pay all sales and use taxes levied by City on any tangible personal property built into the goods/services. Supplier shall obtain a Certificate of Exemption from the State of Colorado

Department of Revenue prior to the purchase of any materials to be built into the goods/services and provide a copy of the Certificate to City prior to final payment.

- 7. Risk of Loss:**
Supplier shall bear the risk of loss, injury or destruction of goods prior to delivery to City. Loss, injury or destruction shall not release Supplier from any obligation hereunder.
- 8. Invoice:**
Each invoice shall include: (i) the Purchase Order number; (ii) individual itemization of the goods/services; (iii) per unit price, extended and totaled; (iv) quantity ordered, back ordered and shipped; (v) an invoice number and date; (vi) ordering department's name and "ship to" address; and (vii) agreed upon payment terms set forth herein.
- 9. Payment:**
Payment shall be subject to City's Prompt Payment Ordinance D.R.M.C. § 20-107, et-seq. after City accepts the goods/services. Any other provision of this Agreement notwithstanding, in no event shall the City be liable for aggregate payments under this Master Purchase Order in excess of One Million, Five Hundred Thousand dollars (\$1,500,000.00). The Supplier acknowledges that any goods/services provided beyond those specifically described in Exhibit A are performed at Contractor's risk and without authorization from the City. City's payment obligations hereunder, whether direct or contingent, shall extend only to funds appropriated by the Denver City Council for the purpose of this Master Purchase Order, encumbered by the City after receipt of Supplier's invoice and paid into the Treasury of City. Supplier acknowledges that: (i) City does not by this Master Purchase Order, irrevocably pledge present cash reserves for payments in future fiscal years; and (ii) this Master Purchase Order is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of City. City may setoff against any payments due to Supplier any claims and/or credits it may have against Supplier under this Master Purchase Order.
- 10. Amendments/Changes:**
Only the Executive Director of General Services or his/her delegate is authorized to change or amend this Master Purchase Order by a formal written change order. Any change or amendment that would cause the aggregate payable under this Master Purchase Order to exceed the amount appropriated and encumbered for this Master Purchase Order is expressly prohibited and of no effect. Supplier shall verify that the amount appropriated and encumbered is sufficient to cover any increase in cost due to changes or amendments. Goods/services provided without such verification are provided at Supplier's risk. The Supplier has no authority to bind City on any contractual matters.
- 11. Warranty:**
Supplier warrants and guarantees to City that all goods furnished under this Purchase Order are free from defects in workmanship and materials, are merchantable, and fit for the purposes for which they are to be used. For any goods furnished under this Purchase Order which become defective within twelve (12) months (unless otherwise specified) after date of receipt by City, Supplier shall either, at City's election and to City's satisfaction, remedy any and all defects or replace the defective goods at no expense to City within seven (7) days of receipt of the defective goods or accept the defective goods for full credit and payment of any return shipping charges. Supplier shall be fully responsible for any and all warranty work, regardless of third party warranty coverage. Supplier shall furnish additional or replacement parts at the same prices, conditions and specifications delineated herein.
- 12. Indemnification/Limitation of Liability:**
Supplier shall indemnify and hold harmless City (including but not limited to its employees, elected and appointed officials, agents and representatives) against any and all losses (including without limitation, loss of use and costs of cover), liability, damage, claims, demands, actions and/or proceedings and all costs and expenses connected therewith (including without limitation attorneys' fees) that arise out of or relate to any claim of infringement of patent, trademark, copyright, trade secret or other intellectual property right related to this Purchase Order or that are caused by or the result of any act or omission of Supplier, its agents, suppliers, employees, or representatives. Supplier's obligation shall not apply to any liability or damages which result solely from the negligence of City. Liability for claims for injuries to persons or property arising from the acts, omissions, or negligence of the City, their departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, Colorado Revised Statutes § 24-10-101, et seq; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b); and the City's limitation on liability for torts, Denver Revised Municipal Code § 1.1.7.
- 13. Termination:**
City may terminate this Master Purchase Order, in whole or in part, at any time and for any reason immediately upon written notice to Supplier. In the event of such a termination, City's sole liability shall be limited to payment of the amount due for the goods/services accepted by City. Supplier acknowledges the risks inherent in this termination for convenience and expressly accepts them. Termination by City shall not constitute a waiver of any claims City may have against Supplier.

14. Interference:

Supplier shall notify the Director of Purchasing immediately of any condition that may interfere with the performance of Supplier's obligations under this Master Purchase Order and confirm such notification in writing within twenty-four (24) hours. City's failure to respond to any such notice shall in no way act as a waiver of any rights or remedies City may possess.

15. Venue, Choice of Law and Disputes:

Venue for all legal actions shall lie in the District Court in and for City and County of Denver, State of Colorado, and shall be governed by the laws of the State of Colorado as well as the Charter and Revised Municipal Code, rules, regulations, Executive Orders, and fiscal rules of City. All disputes shall be resolved by administrative hearing, pursuant to the procedure established by D.R.M.C. § 56-106. Director of Purchasing shall render the final determination.

16. Assignment/No Third-Party Beneficiary:

Supplier shall not assign or subcontract any of its rights or obligations under this Master Purchase Order without the written consent of City. In the event City permits an assignment or subcontract, Supplier shall continue to be liable under this Master Purchase Order and any permitted assignee or subcontractor shall be bound by the terms and conditions contained herein. This Master Purchase Order is intended solely for the benefit of City and Supplier with no third-party beneficiaries

17. Notice:

Notices shall be made by Supplier to the Director of Purchasing and by City to Supplier at the addresses provided herein, in writing sent registered, return receipt requested.

18. Compliance with Laws:

Supplier shall observe and comply with all federal, state, county, city and other laws, codes, ordinances, rules, regulations and executive orders related to its performance under this Master Purchase Order. City may immediately terminate this Master Purchase Order, in whole or in part, if Supplier or an employee is convicted, plead nolo contendere, or admits culpability to a criminal offense of bribery, kickbacks, collusive bidding, bid-rigging, antitrust, fraud, undue influence, theft, racketeering, extortion or any offense of a similar nature.

19. Insurance:

Supplier shall secure, before delivery of any goods/services, the following insurance covering all operations, goods and services provided to City. Supplier shall keep the required insurance coverage in force at all times during the term of the Master Purchase Order, or any extension thereof, during any warranty period, and for three (3) years after termination of this Master Purchase Order. The required insurance shall be underwritten by an insurer licensed to do business in Colorado and rated by A.M. Best Company as "A"-VIII or better. Each policy shall contain a valid provision or endorsement requiring notification to the City in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the parties identified in the Notices section of this Agreement. Such notice shall reference the City contract number listed on the signature page of this Agreement. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, contractor shall provide written notice of cancellation, non-renewal and any reduction in coverage to the parties identified in the Notices section by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s) and referencing the City's contract number. If any policy is in excess of a deductible or self-insured retention, City must be notified by Supplier. Supplier shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Master Purchase Order are the minimum requirements, and these requirements do not lessen or limit the liability of Supplier. Risk Management reserves the right to require additional policies and/or limits based on agreement scope of work. Supplier shall provide a copy of this Master Purchase Order to its insurance agent or broker. Supplier may not commence services or work relating to the Master Purchase Order prior to placement of coverage. Contractor certifies that the attached certificate of insurance attached to the Master Purchase Order documents, preferably an ACORD certificate, complies with all insurance requirements of this Master Purchase Order. The City's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Master Purchase Order shall not act as a waiver of Supplier's breach of this Master Purchase Order or any of the City's rights or remedies under this Agreement. The City's Risk Management Office may require additional proof of insurance, including but not limited to policies and endorsements. Supplier's insurer shall name as Additional Insured to its Commercial General Liability and Business Auto Liability policies the City and County of Denver, its elected and appointed officials, employees and volunteers. Supplier's insurer shall waive subrogation rights against the City. All sub-contractors and sub-consultants (including independent contractors, suppliers or other entities providing goods/services required by this Master Purchase Order) shall be subject to all of the requirements herein and shall procure and maintain the same coverages required of Supplier. Supplier shall include all such entities as insureds under its policies or shall ensure that they all maintain the required coverages. Supplier shall provide proof of insurance for all such entities upon request by City. For Worker's Compensation Insurance, Supplier shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits of \$100,000 for each bodily injury occurrence claim, \$100,000 for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims. Supplier expressly represents to City, as a material representation upon which City is relying, that none of the Supplier's officers or employees who may be eligible under any statute or law to reject Workers' Compensation Insurance shall effect such rejection during any part of the term of this Master Purchase Order, and that any such rejections previously effected, have been revoked. Supplier shall maintain Commercial General Liability coverage with limits of \$1,000,000 for each occurrence, \$1,000,000 for each personal and advertising injury claim, \$2,000,000 products and completed operations aggregate, and \$2,000,000 policy aggregate. Supplier shall maintain Business Auto

Liability coverage with limits of \$1,000,000 combined single limit applicable to all owned, hired and non-hired vehicles used in performing services under this Master Purchase Order. For Commercial General Liability coverage, the policy must provide the following: (i) That this Master Purchase Order is an Insured Contract under the policy; (ii) Defense costs in excess of policy limits; (iii) A severability of interests, separation of insureds or cross liability provision; and (iv) A provision that coverage is non-contributory with other coverage or self-insurance provided by City. For claims-made coverage, the retroactive date must be on or before the first date when any goods or services were provided to City. Supplier must advise the City in the event any general aggregate or other aggregate limits are reduced below the required per occurrence limits. At their own expense, and where such general aggregate or other aggregate limits have been reduced below the required per occurrence limit, the Supplier will procure such per occurrence limits and furnish a new certificate of insurance showing such coverage is in force

20. Severability:

If any provision of this Master Purchase Order, except for the provisions requiring appropriation and encumbering of funds and limiting the total amount payable by City, is held to be invalid, illegal or unenforceable by a court of competent jurisdiction, the validity of the remaining portions or provisions shall not be affected if the intent of City and Supplier can be fulfilled.

21. Survival:

All terms and conditions of this Master Purchase Order which by their nature must survive termination/expiration shall so survive. Without limiting the foregoing, Supplier's insurance, warranty and indemnity obligations shall survive for the relevant warranty or statutes of limitation period plus the time necessary to fully resolve any claims, matters or actions begun within that period. Bonds shall survive as long as any warranty period.

22. No Construction Against Drafting Party:

No provision of this Master Purchase Order shall be construed against the drafter.

23. Status of Supplier/Ownership of Work Product:

Supplier is an independent contractor retained on a contractual basis to perform services for a limited period of time as described in Section 9.1.1E(x) of the Charter of City. Supplier and its employees are not employees or officers of City under Chapter 18 of the D.R.M.C. for any purpose whatsoever. All goods, deliverables, hardware, software, plans, drawings, reports, submittals and all other documents or things furnished to City by Supplier shall become and are the property of City, without restriction.

24. Records and Audits:

Supplier shall maintain for three (3) years after final payment hereunder, all pertinent books, documents, papers and records of Supplier involving transactions related to this Master Purchase Order, and City shall have the right to inspect and copy the same.

25. Remedies/Waiver:

No remedy specified herein shall limit any other rights and remedies of City at law or in equity. No waiver of any breach shall be construed as a waiver of any other breach.

26. No Discrimination in Employment:

Supplier shall not refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, gender identity or gender expression, marital status, or physical or mental disability; and Supplier shall insert the foregoing provision in any subcontracts hereunder.

In connection with the performance of work under this Master Purchase Order, the Supplier may not refuse to hire, discharge, promote or demote, or discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, gender identity or gender expression, marital status, or physical or mental disability. The Supplier shall insert the foregoing provision in all subcontracts.

27. Use, Possession or Sale of Alcohol or Drugs:

Supplier shall cooperate and comply with the provisions of Executive Order 94. Violation may result in City terminating this Master Purchase Order or barring Supplier from City facilities or from participating in City operations.

28. Conflict of Interest:

No employee of City shall have any personal or beneficial interest in the goods/services described in this Master Purchase Order; and Supplier shall not hire or contract for services any employee or officer of City which would be in violation of City's Code of Ethics, D.R.M.C. §2-51, et seq. or the Charter §§ 1.2.8, 1.2.9, and 1.2.12.

29. Advertising and Public Disclosure:

The Supplier shall not include any reference to the Master Purchase Order or to services performed or goods purchased pursuant to the Master Purchase Order in any of the Supplier's advertising or public relations materials without first obtaining the written approval of the Director of Purchasing.

30. No Employment of Illegal Aliens to Perform Work Under The Agreement:

a. This Agreement is subject to Division 5 of Article IV of Chapter 20 of the Denver Revised Municipal Code, and any amendments (the "Certification Ordinance").

b. The Supplier certifies that:

(1) At the time of its execution of this Agreement, it does not knowingly employ or contract with an illegal alien who will perform work under this Agreement.

(2) It will participate in the E-Verify Program, as defined in § 8-17.5-101(3.7), C.R.S., to confirm the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement.

c. The Supplier also agrees and represents that:

- (1) It shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.
- (2) It shall not enter into a contract with a subconsultant or subcontractor that fails to certify to the Contractor that it shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.
- (3) It has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement, through participation in the E-Verify Program.
- (4) It is prohibited from using the E-Verify Program procedures to undertake pre-employment screening of job applicants while performing its obligations under the Agreement, and that otherwise requires the Supplier to comply with any and all federal requirements related to use of the E-Verify Program including, by way of example, all program requirements related to employee notification and preservation of employee rights.
- (5) If it obtains actual knowledge that a subconsultant or subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, it will notify such subconsultant or subcontractor and the City within three (3) days. The Supplier will also then terminate such subconsultant or subcontractor if within three (3) days after such notice the subconsultant or subcontractor does not stop employing or contracting with the illegal alien, unless during such three-day period the subconsultant or subcontractor provides information to establish that the subconsultant or subcontractor has not knowingly employed or contracted with an illegal alien.
- (6) It will comply with any reasonable request made in the course of an investigation by the Colorado Department of Labor and Employment under authority of § 8-17.5-102(5), C.R.S, or the City Auditor, under authority of D.R.M.C. 20-90.3.

d. The Contractor is liable for any violations as provided in the Certification Ordinance. If Contractor violates any provision of this section or the Certification Ordinance, the City may terminate this Agreement for a breach of the Agreement. If the Agreement is so terminated, the Contractor shall be liable for actual and consequential damages to the City. Any such termination of a contract due to a violation of this section or the Certification Ordinance may also, at the discretion of the City, constitute grounds for disqualifying Contractor from submitting bids or proposals for future contracts with the City.

NOTE: This Master Purchase Order results from 2019 solicitation RFP 0721; it is contingent upon City Council Action in accordance with 3.2.6(e) of the City Charter and is void without such action.

This Master Purchase Order is acknowledged and agreed to by:

City & County of Denver, Purchasing Division

Supplier Name: Output Services, Inc
(Company Name)

By: [Signature]
(Authorized Signature)

Print Name: Kate Ledermann

Title: Director of Operations

Date: 11/14/19

By: _____

Print Name: _____

Title: _____

Date: _____

Supervisor Initial: _____

EXHIBIT "A"

Supplier: Output Services, Inc.
 Title: DRIVES Renewal Notices for CCD-DMV
 Solicitation No.: RFP-0721

It is recommended that you use your Supplier Contract No., in all future correspondence and/or other communications.

Description of the goods and services related thereto, being purchased and pricing:

- i. On the first Wednesday of the month, a file is created in DRIVES for those registrations due to expire the following month and which the supplier prints and mails, i.e. the file for registrations expiring in July is created the first Wednesday in June.
- ii. The supplier receives the monthly file from DRIVES via a secure FTP (SFTP) transmission. The supplier performs the required U.S.P.S. services such as Cass/Mass Certify & Address delivery verification and NCOA (National Change of Address).
- iii. The supplier estimates the postage and we make sure the funds are available in their account. Metered postage is advanced by the supplier and affixed via U.S.P.S. postage meter.
- iv. The data-mailers are printed and mailed as close to the 15th of the month as possible. A second file is created in DRIVES on the third Wednesday of the month, although the second file should be much smaller, and the process is repeated and mailed as soon as possible. The purpose of the second run is to capture any records that weren't included in the first run.

The average number of data-mailers currently printed and mailed is approximately 40,000 per month. The City and County of Denver Division of Motor Vehicles (DMV) will be invoiced monthly for the supplier's approved services. DMV will continue to provide a cost-effective monthly communication to remind residents of their upcoming motor vehicle registration renewal and promote online, by phone or postage-paid return mail options to alleviate customer traffic in branch office locations.

Upon contract execution, Output Services, Inc. shall be prepared to receive the file(s) from DRIVES via secure FTP, produce the notices beginning in early January 2020 for those motor vehicle registrations expiring in February 2020, meet U.S.P.S. postal regulations and mail the first run as close to January 15, 2020 as possible. Thereafter, Output Services Inc. shall continue to support DMV each month by receiving files from DRIVES via secure FTP, producing the monthly notices for expiring motor vehicle registrations, meeting U.S.P.S. postal regulations and mailing services as indicated in the Output Services, Inc. response to RFP 0721.

Flexibility to incorporate statutorily required or desired messaging is included as part of the work provided by the supplier. An example of required messaging is C.R.S. 42-6-109, which allows notification on the renewal notice of the owner's option to report the transfer of ownership of a motor vehicle. An example of desired messaging is changing the printed online option information from Pocketgov to mydmv. The following costs are included in the services proposed and verified by subsequent clarifications by Output Services, Inc.:

- A. One-time cost to develop current to future state mailer document: **included per response to RFP 0721**
- B. One-time-cost to integrate CCD data to print interface for DRIVES: **included per response to RFP 0721**
- C. Ongoing cost to print and mail renewal notices (each) \$0.1648 includes NCOA

D. Ongoing cost for printing and mailing *other* associated monthly motor vehicle registration renewal notifications (each): \$0.1648*

- a. Bill format mailer \$0.088 all black printing; \$0.208 for color printing
- b. One-time mailer postcard \$0.09 black ink; \$0.10696 full color

E. Web-based Portal for uploading files and accessing reports (including NCOA): **included per response to RFP 0721**

F. Retention of CCD-DMV DRIVES input files for 3 years: **included per clarification**

G. Retention of output file images (as determined by CCD-DMV):

- a. Archive set-up \$500 (one-time fee)
- b. \$0.02 per notice to archive

SUPPLIER PERFORMANCE MANAGEMENT:

The Purchasing Department may administer a Supplier performance management program as part this proposal and resulting contract. The purpose of this program is to create a method for documenting and advising the Purchasing Department of exceptional performance or any problems related to the purchased goods and services.

FOR SERVICES

- Total dollar value of purchases per City Agency
- Total number of transactions per City Agency
- Average response time after receipt of call from the City
- Average time for job completion