

**AGREEMENT FOR SERVICES
BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA,
AND
HDL COREN & CONE**

PREAMBLE

This Agreement (“Agreement”) dated _____ (“Effective Date”) is entered into between the City of Santa Clara, California, a chartered California municipal corporation (“City”) and HdL Coren & Cone, a California corporation (“Consultant”). City and Consultant may be referred to individually as a “Party” or collectively as the “Parties” or the “Parties to this Agreement.”

RECITALS

- A. City desires to secure the services (“Services”) more fully described in this Agreement, at Exhibit A, entitled “Scope of Services”;
- B. Consultant represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,
- C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

In consideration of the above Recitals and the mutual covenants contained therein, the Parties agree as follows:

AGREEMENT TERMS AND CONDITIONS

1. AGREEMENT DOCUMENTS

The documents forming the entire Agreement between City and Consultant will consist of these Terms and Conditions and the following Exhibits, which are hereby incorporated into this Agreement by this reference:

Exhibit A – Scope of Services

Exhibit B – Schedule of Fees

Exhibit C – Insurance Requirements

This Agreement, including the Exhibits set forth above, contains all the agreements, representations and understandings of the Parties, and supersedes

and replaces any previous agreements, representations and understandings, whether oral or written. In the event of any inconsistency between the provisions of any of the Exhibits and the Terms and Conditions, the Terms and Conditions will govern and control.

2. TERM OF AGREEMENT

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement will begin on July 1, 2026 and terminate on June 30, 2031.

3. SCOPE OF SERVICES & PERFORMANCE SCHEDULE

Consultant will perform those Services specified in Exhibit A within the time stated in Exhibit A. Time is of the essence.

4. WARRANTY

Consultant expressly warrants that all materials and services covered by this Agreement will be fit for the purpose intended, will be free from defect and will conform to the specifications, requirements and instructions upon which this Agreement is based. Consultant agrees to promptly replace or correct any incomplete, inaccurate or defective Services at no further cost to City when defects are due to the negligence, errors or omissions of Consultant. If Consultant fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Consultant for the cost incurred by City.

5. QUALIFICATIONS OF CONSULTANT - STANDARD OF CARE

Consultant represents and maintains that it has the expertise in the professional calling necessary to perform the Services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Consultant's representations regarding its skills and knowledge. Consultant will perform such Services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

6. COMPENSATION AND PAYMENT

In consideration for Consultant's complete performance of Services, City will pay Consultant for all materials provided and Services rendered by Consultant in accordance with Exhibit B, entitled "SCHEDULE OF FEES." The maximum compensation of this Agreement is **Two Hundred Thousand Dollars (\$200,000)**, subject to budget appropriations, which includes all payments that may be authorized for Services and for expenses, supplies, materials and equipment required to perform the Services. All work performed or materials

provided in excess of the maximum compensation will be at Consultant's expense. Consultant will not be entitled to any payment above the maximum compensation under any circumstance.

7. TERMINATION

- A. Termination for Convenience. City will have the right to terminate this Agreement, without cause or penalty, by giving not less than Thirty (30) days' prior written notice to Consultant.
- B. Termination for Default. If Consultant fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Consultant.
- C. Upon termination, each Party will assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Consultant will deliver to City all City information or material that Consultant has in its possession.

8. ASSIGNMENT AND SUBCONTRACTING

City and Consultant bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement will not be assigned or transferred without the prior written approval of City. Consultant will not hire subcontractors without express written permission from City.

Consultant will be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Consultant is for the acts and omissions of persons directly employed by it.

9. NO THIRD PARTY BENEFICIARY

This Agreement will not be construed to be an agreement for the benefit of any third party or parties and no third party or parties will have any claim or right of action under this Agreement for any cause whatsoever.

10. INDEPENDENT CONTRACTOR

Consultant and all person(s) employed by or contracted with Consultant to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Consultant has full rights to manage its employees in their performance of Services under this Agreement.

11. CONFIDENTIALITY OF MATERIAL

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Consultant and all other written information submitted to Consultant in connection with the performance of this Agreement will be held confidential by Consultant and will not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Consultant which is otherwise known to Consultant or becomes generally known to the related industry will be deemed confidential.

12. OWNERSHIP OF MATERIAL

All material, which will include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports, designs, technology, programming, works of authorship and other material developed, collected, prepared or caused to be prepared under this Agreement will be the property of City but Consultant may retain and use copies thereof. City will not be limited in any way or at any time in its use of said material. However, Consultant will not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties.

13. RIGHT OF CITY TO INSPECT RECORDS OF CONSULTANT

City, through its authorized employees, representatives or agents will have the right during the term of this Agreement and for four (4) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Consultant for the purpose of verifying any and all charges made by Consultant in connection with Consultant compensation under this Agreement, including termination of Consultant. Consultant agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded will be disallowed by City. Consultant will bear the cost of the audit if the audit determines that there has been a substantial billing deviation in excess of five (5) percent adverse to the City.

Consultant will submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Consultant agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Consultant's Services hereunder.

14. HOLD HARMLESS/INDEMNIFICATION

- A. To the extent permitted by law, Consultant agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury,

liability, loss, cost, and/or expense or damage, including all costs and attorney's fees in providing a defense to any such claim or other action, and whether sounding in law, contract, tort, or equity, in any manner arising from, or alleged to arise in whole or in part from, or in any way connected with the Services performed by Consultant pursuant to this Agreement – including claims of any kind by Consultant's employees or persons contracting with Consultant to perform any portion of the Scope of Services – and will expressly include passive or active negligence by City connected with the Services. However, the obligation to indemnify will not apply if such liability is ultimately adjudicated to have arisen through the sole active negligence or sole willful misconduct of City; the obligation to defend is not similarly limited.

- B. Consultant's obligation to protect, defend, indemnify, and hold harmless in full City and City's employees, will specifically extend to any and all employment-related claims of any type brought by employees, contractors, subcontractors or other agents of Consultant, against City (either alone, or jointly with Consultant), regardless of venue/jurisdiction in which the claim is brought and the manner of relief sought.
- C. To the extent Consultant is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Consultant warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Consultant's responsibilities under the Act.
- D. The Parties expressly agree that this Section 14 (HOLD HARMLESS/INDEMNIFICATION) will survive the expiration or early termination of the Agreement.

15. INSURANCE REQUIREMENTS

During the term of this Agreement, and for any time period set forth in Exhibit C, Consultant will provide and maintain in full force and effect, at no cost to City, insurance policies as set forth in Exhibit C.

16. WAIVER

Consultant agrees that waiver by City of any one or more of the conditions of performance under this Agreement will not be construed as waiver(s) of any other condition of performance under this Agreement. Neither City's review, acceptance nor payments for any of the Services required under this Agreement will be constructed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

17. NOTICES

All notices to the Parties will, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: Finance Department
1500 Warburton Avenue
Santa Clara, CA 95050
and by e-mail at mmccahan@santaclaraca.gov

And to Consultant addressed as follows:

HdL Coren & Cone
Paula Cone
and by e-mail at pcone@hdlccpropertytax.com

The workday the e-mail was sent will control the date notice was deemed given. An e-mail transmitted after 1:00 p.m. on a Friday will be deemed to have been transmitted on the following business day.

18. COMPLIANCE WITH LAWS

Consultant will comply with all applicable laws and regulations of the federal, state and local government, including but not limited to “The Code of the City of Santa Clara, California” (“SCCC”). In particular, Consultant’s attention is called to the regulations regarding Campaign Contributions (SCCC Chapter 2.130), Lobbying (SCCC Chapter 2.155), Minimum Wage (SCCC Chapter 3.20), Business Tax Certificate (SCCC section 3.40.070), and Food and Beverage Service Worker Retention (SCCC Chapter 9.60), as such Chapters or Sections may be amended from time to time or renumbered. Additionally Consultant has read and agrees to comply with City’s Ethical Standards (<http://santaclaraca.gov/home/showdocument?id=58299>).

19. CONFLICTS OF INTEREST

Consultant certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Consultant and that no person associated with Consultant has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Consultant is familiar with the provisions of California Government Code section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Consultant will advise City if a conflict arises.

20. FAIR EMPLOYMENT

Consultant will not discriminate against any employee or applicant for employment because of race, sex, color, religion, religious creed, national origin,

ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law.

21. NO USE OF CITY NAME OR EMBLEM

Consultant will not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

22. GOVERNING LAW AND VENUE

This Agreement will be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party will be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

23. SEVERABILITY CLAUSE

In case any one or more of the provisions in this Agreement will, for any reason, be held invalid, illegal or unenforceable in any respect, it will not affect the validity of the other provisions, which will remain in full force and effect.

24. AMENDMENTS

This Agreement may only be modified by a written amendment duly authorized and executed by the Parties to this Agreement.

25. COUNTERPARTS

This Agreement may be executed in counterparts, each of which will be deemed to be an original, but both of which will constitute one and the same instrument.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives.

CITY OF SANTA CLARA, CALIFORNIA
a chartered California municipal corporation

Approved as to Form:

Dated: _____

GLEN R. GOOGINS
City Attorney

JÖVAN D. GROGAN
City Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

HDL COREN AND CONE
a California corporation

Dated: June 8, 2026

By (Signature): *Paula Cone*

Name: Paula Cone

Title: President

Principal Place of Business Address: 120 S. State College Blvd., Suite 200
Brea, CA 92821

Email Address: pcone@hdlccpropertytax.com

Telephone: 714-879-800 x 307

Fax: 714-845-7364

"CONSULTANT"

EXHIBIT A
SCOPE OF SERVICES

1. BACKGROUND

Property tax is the largest General Fund revenue source for the City, representing approximately 30% of revenues. Under Proposition 13, the assessed valuation of properties held by the same owner from year to year is adjusted each year by the lesser of 2.0% or the percent change in the October to October California Consumer Price Index (CCPI). Beyond the 2% inflation adjustment, growth in property tax receipts is driven by reassessments upon the sale of properties and new construction projects being added to the tax rolls. Overall, property tax revenue for FY 2025/26 is budgeted at \$101.2 million. The City receives \$10.19 of every \$100 collected.

2. PROPERTY TAX MANAGEMENT SERVICES

2.1. General Services

- 2.1.1. Contractor will provide comprehensive property tax management services to ensure the complete and accurate receipt, recording, allocation, and reporting of property tax revenues and to maintain and enhance the City's property tax revenue base.
- 2.1.2. Represent the City for purposes of examining records pertaining to property tax to identify and confirm any errors/omissions that are resulting in deficient payment of tax revenues to the City.
- 2.1.3. For each error/omission identified and confirmed, prepare documentation to substantiate and facilitate recovery of revenue due from prior periods plus applicable interest and penalties.
- 2.1.4. Meet with designated City official(s) as necessary to review findings and recommendations.
- 2.1.5. Provide detailed analysis of the City's property taxes, including a summary of annual performance, description of performance by property type, identification of major increases or decreases in property values and largest property tax payers, comparison with prior year performance, identification of pending appeals, discussion of real estate trends and property sales history (including price and number of transactions), and property tax revenue forecasting for the current year and the upcoming ten (10) years.
- 2.1.6. Provide additional assistance as necessary to support the City in recovering and preventing tax allocation errors/omissions.

2.1.7. Prepare and forward to the appropriate parties' requests for corrective action and revenue recovery for misallocation.

2.2. Audit Method and Approach

2.2.1. Identification and Correction of Errors

2.2.1.1. Contractor will perform a comprehensive analysis of all secured parcels and unsecured assessments within the City and Successor Agency to identify errors resulting in the misallocation of property taxes.

2.2.1.2. Contractor will audit the secured and unsecured property tax rolls two ways, which will include a countywide analysis to find parcels miscoded to other jurisdictions and a review of the parcels within the City, County or Successor Agency to verify that each parcel is coded to the appropriate taxing entity.

2.2.1.3. The analysis will identify all parcels on both the secured and unsecured tax rolls and verify that parcel assessed valuations and the resulting taxes are correctly allocated to the City or its Successor Agency. The review will include the lien date secured and unsecured data for the current tax year as well as historical data back for a total of two (2) tax years and be performed no less than every other year.

2.2.1.4. Contractor will utilize appropriate technology, methodologies, and qualified personnel to conduct the analysis, including the use of specialized computer software, assessor maps, City GIS maps, City records, other pertinent documents, and field investigations.

2.3. Reports and Analytical Services

2.3.1. Contractor will provide a variety of reports detailing property and revenue trends for the City and for custom defined geographic areas. Such reports will support budgeting, planning, economic development and public information needs, and may include, but are not limited to, listings of the top 25, 50, 100-property owner/taxpayer listings, multiple ownership properties, non-owner occupied parcels, identification of property ownership transfers for tracking of reassessments. Contractor will also provide quarterly reports of successful, pending, and historical assessment appeals.

- 2.3.2. Contractor will reconcile the annual Auditor/Controller Assessed Valuations Report and will furnish a breakdown of assessed values within the City and Successor Agency.
- 2.3.3. Contractor will utilize available property tax data sets to identify potential areas of unrecognized or underallocated revenue and provide analytical support to assist the City in evaluating such opportunities.
- 2.3.4. Contractor will provide reports based on the current year lien date on an annual, quarterly or monthly basis, as appropriate and as directed by the City.
- 2.3.5. Contractor will provide the following reports as requested by the City:
 - 2.3.5.1. A five-year history of the values within the City, and custom (city defined) geographic areas
 - 2.3.5.2. A listing of the largest value changes, positive and negative between tax years
 - 2.3.5.3. An annual parcel listing of properties with parcel number changes between tax years identifying parcel splits and combines
 - 2.3.5.4. A listing of the major property owners for the City including the combined assessed values of their property and property use code designation
 - 2.3.5.5. A listing and summary of property transfers which occurred since the lien date ordered by month
 - 2.3.5.6. A listing of parcels that have not changed ownership since the enactment of Proposition 13
 - 2.3.5.7. A comparison of property within the City by county use-code designation
 - 2.3.5.8. A multiple year comparison of growth by use code designation over a 5-year period
 - 2.3.5.9. A listing by parcel of new construction activity to identify non-residential parcels with new construction activity and to provide reports for use in the City's preparation of Proposition 4 and 111 State Appropriation Limit calculations

- 2.3.5.10. An estimate of property tax revenue anticipated to be received for the current fiscal year by the City based upon the initial information provided by the County and subject to modification; this estimate will not be used to secure the indebtedness of the City.
- 2.3.5.11. Analyses based on geo areas designated by the City to include assessed valuations and square footage computations for use in economic analysis and community development planning
- 2.3.5.12. Tracking of Proposition 8 reductions and restorations
- 2.3.5.13. Median sale price data for current year and prior years for comparison
- 2.3.5.14. Five-year budget projections for the city general fund, Successor Agency, special districts, and Vehicle License Fee in Lieu revenues; this report is interactive for tax modeling
- 2.3.5.15. Newsletter summary for public and elected distribution

2.4. Information Provided Annually or Monthly

- 2.4.1. Contractor will prepare annual reports including a listing of property tax appeals filed on properties in the city and former RDA project areas. These reports are prepared for both the City General Fund and Successor Agency and include a history of all appeals filed, the disposition of those appeals, successful appeals, pending appeals, and a report to assist the City/Successor Agency in determining the potential impact of pending appeals.
- 2.4.2. Contractor will provide access to a listing of property transfers that have occurred since the last report through the software application described in this Agreement. Such data will be updated on a monthly basis, and will include the name of the new owner/seller of the property, new mailing address if not the situs address, the date of sale, the sale price when verified, document number, and transaction type.
- 2.4.3. Contractor will provide a quarterly report identifying the average and median single family sale prices, which will include the same data for other client agencies within the same County, where available.

2.5. Property Tax Application and Database

- 2.5.1. Contractor will provide the City with access to a web-based software application for the purpose of accessing City's property tax data. Contractor will update the data on a monthly basis to reflect changes in ownership, updated appeals filings, and deed recordings.
 - 2.5.2. Contractor will provide all modifications, enhancements, upgrades, and new releases of the software at no additional cost to the City during the term of the Agreement.
 - 2.5.3. Contractor will provide initial training to City staff within two months after the execution of the Agreement regarding the use of the software application and related property tax management and audit services. Contractor will provide additional training annually for new staff or as refresher training. Any additional training sessions requested by the City beyond such annual training may be provided at the hourly fees set forth in Exhibit B.
 - 2.5.4. Contractor will provide access to a user manual within the software application and will make support staff available Monday through Friday, 8 a.m. to 5 p.m. to answer questions and assist City staff on the use of the software. Assistance will be available either by phone or via email.
 - 2.5.5. Contractor will grant the City a site license for the software application with no limit to the number of users. Contractor will not charge an annual maintenance fee for the software.
- 2.6. Successor Agency Services
- 2.6.1. Contractor will prepare annual tax increment projections and, as requested, cash flow analysis for the Successor Agency by project area.
 - 2.6.2. Contractor will review Redevelopment Obligation Payment Schedules (ROPS) as requested.
 - 2.6.3. Contractor will provide property tax information to the Oversight Board at the direction of the Successor Agency.
 - 2.6.4. Contractor will provide access to the Oversight Board to City and former redevelopment agency documents at the direction of the Successor Agency.
 - 2.6.5. Contractor will monitor the County distribution of tax-sharing revenues to the taxing entities of the former redevelopment agency.

- 2.6.6. Contractor will provide advice and consultation on the City/Successor Agency's preparation of required reports, such as revenue projections; review of Recognized Obligation Payment Schedules (ROPS), submittals to the Oversight Board and/or County or State agencies, and new or revised legislative requirements.
- 2.6.7. Contractor will analyze legislative and judicial matters impacting Redevelopment Property Tax Trust Fund (RPTTF) revenues to the Successor Agency and to the City.

2.7. ONGOING SUPPORT AND CONSULTATION

- 2.7.1. Contractor will serve as a resource to the City on questions relating to property tax administration, including being available "on-call" to assist with any property tax issues. On-going consultation would include, but not be limited to inquiries resolved through use of the City data base. Contractor will respond to all requests for information based upon the County's property tax data sets at no additional cost.
- 2.7.2. Any services requested by the City that require substantial additional research, development of special reports, or additional computer programming will be considered optional services at additional cost and will be performed only upon prior written authorization by the City.
- 2.7.3. Contractor attendance at City and/or Successor Agency meetings will be provided as requested by the City and will be compensated as an additional service.

2.8. Timeline for Property Tax Analysis and Audit Services

- 2.8.1. Contractor will obtain County assessment roll data on an annual basis, typically available in or about July.
- 2.8.2. Contractor will make the software application available to the City via the internet within 30 days of the execution of the Agreement. Parcel data will be updated monthly to include the most current ownership information due to parcel transfers.
- 2.8.3. Contractor will complete and submit the first secured audit to the Assessor no later than 60 days from the execution of the Agreement .
- 2.8.4. Contractor will perform subsequent audits no less than once every two years and submit such audits no later than March 1st of the applicable year.

- 2.8.5. Contractor will complete unsecured property tax audits within 120 days of receipt of the County assessment rolls and submit such audits to the County Assessor for corrective action. Contractor will provide the City with copies of all submittals simultaneously with submission to the County Assessor.
- 2.8.6. Contractor will perform data collection from the County Assessor's and Auditor Controller's offices, typically occurring in August and September each year. Contractor will provide preliminary reports to the City no later than January 31 of each year.
- 2.8.7. Contractor will incorporate final tax ratio percentages as released by the County Auditor Controller's office, typically in February or March. Contractor will prepare and deliver final reports to the City no later than April 30 of each year.

2.9. Legislative Updates

- 2.9.1. Contractor will monitor and report on issues related to property tax and coordinate with City staff regarding enacted or proposed changes that may impact the City's property tax revenues and administration.

**EXHIBIT B
SCHEDULE OF FEES**

1. MAXIMUM COMPENSATION

The total maximum compensation the City will pay the Consultant under this Agreement will not exceed **Two Hundred Thousand Dollars (\$200,000)** during the term of the Agreement. Any additional fees, costs and expenses requested by the City that would exceed the preceding maximum amount will be addressed in an Amendment to the Agreement.

All services or work under this Agreement will be compensated in accordance with this Exhibit B.

2. STANDARD AND CONTINGENCY FEES

Based on the number of 30,334 parcels within the City, Contractor's fees will be as follows:

Description	Amount
Base Fee for Standard Property Tax Services	\$6,250 per quarter (up to 40,000 parcels). The Base Fee includes all services described in Exhibit A.
Contingency Fee	25% of net tax revenues actually received by the City in the audits performed over the period allowable by State statute (current year and three (3) prior lien date years). Net tax revenues mean the taxes received by the City through Consultant's audit efforts.
Software Access	Included at no additional cost.

The Base Fixed Fee will be adjusted annually by the Consumer Price Index (CPI) for All Urban Consumers (CPI-U), San Francisco-Oakland-Hayward, CA, All Items.

Consultant will not be reimbursed for any expenses incurred in the performance of this Agreement, unless previously approved in writing by the City.

3. ADDITIONAL SERVICES

The following hourly rates will only be utilized to the extent the City requests Contractor to perform services outside the defined scope of services. Any additional services will require prior written approval by the City.

Position	Hourly Rate
Partner	\$250
Principal	\$225
Programmer	\$200
Associate	\$175
Senior Analyst	\$125
Analyst	\$90
Administrative	\$70

4. INVOICING

Consultant will bill the City for Services on an invoice and in a format approved by the City and subject to verification and approval by the City. City will pay Consultant within thirty (30) days of City's receipt of an approved invoice.

5. ADDITIONAL PAYMENT PROVISIONS

- 5.1. Pre-Payment.** City will not be required to pay a deposit or any other form of pre-payment prior to Consultant beginning the Services.
- 5.2. Billing for Billing.** The City will not pay for time associated with administrative or billing-related tasks, including but not limited to preparing responses to Work Requests, addressing billing issues, or communicating with auditors.
- 5.3. Payment Limited to Satisfactory Work.** Consultant is not entitled to any payments until the City concludes that the Services and/or any furnished deliverables have been satisfactorily performed.
- 5.4. Accurate Invoice.** Invoices will be accurate, itemized, and submitted in a form acceptable to the City. If an invoice is incomplete or inaccurate, the City may return it to Consultant for correction and resubmittal before payment can be processed. Consultant will not charge the City any interest, late fees, or penalties on any outstanding or delayed invoices due to inaccurate billing.
- 5.5. Payment.** If there are no discrepancies or deficiencies in the submitted invoice , City will process the invoice for payment.
- 5.6. Confidential.** Invoices and related payment documentation are public records and are not confidential, even if marked as confidential when submitted by Consultant.

EXHIBIT C
INSURANCE REQUIREMENTS

Without limiting the Consultant's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Consultant will provide and maintain in full force and effect during the period of performance of the Agreement and for twenty-four (24) months following acceptance by the City, at its sole cost and expense, the following insurance policies from insurance companies authorized to do business in the State of California. These policies will be primary insurance as to the City of Santa Clara so that any other coverage held by the City will not contribute to any loss under Consultant's insurance. The minimum coverages, provisions and endorsements are as follows:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but will in no event be less than, the following:

- \$1,000,000 Each Occurrence
- \$2,000,000 General Aggregate
- \$2,000,000 Products/Completed Operations Aggregate
- \$1,000,000 Personal Injury

2. Exact structure and layering of the coverage will be left to the discretion of Consultant; however, any excess or umbrella policies used to meet the required limits will be at least as broad as the underlying coverage and will otherwise follow form.
3. The following provisions will apply to the Commercial Liability policy as well as any umbrella policy maintained by the Consultant to comply with the insurance requirements of this Agreement:
 - a. Coverage will be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
 - b. There will be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and
 - c. Coverage will apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at

least as broad as, Insurance Services Office form CA 00 01. Liability coverage will apply to all owned (if any), non-owned and hired autos.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
2. The indemnification and hold harmless obligations of Consultant included in this Agreement will not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Consultant or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. PROFESSIONAL LIABILITY

Professional Liability or Errors and Omissions Insurance as appropriate will be written on a policy form coverage specifically designed to protect against negligent acts, errors or omissions of the Consultant. Covered services as designated in the policy must specifically include work performed under this agreement. Coverage will be in an amount of not less than one million dollars (\$1,000,000) per claim or two million dollars (\$2,000,000) aggregate. Any coverage containing a deductible or self-retention must first be approved in writing by the City Attorney's Office.

E. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Consultant's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85, or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Consultant will contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution

from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess will be considered excess insurance only and will not be called upon to contribute with Consultant's insurance.

3. Cancellation.

a. Each insurance policy will contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums will be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice will be given at least ten (10) days prior to the effective date of non-renewal.

b. Each insurance policy will contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums will be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice will be given at least thirty (30) days prior to the effective date of non-renewal.

4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through E of this Exhibit C, above.

F. ADDITIONAL INSURANCE RELATED PROVISIONS

Consultant and City agree as follows:

1. Consultant agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Consultant, provide the same minimum insurance coverage required of Consultant, except as with respect to limits. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Consultant agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.
2. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required

by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There will be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Consultant in the event of material noncompliance with the insurance requirements set forth in this Agreement.

G. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Consultant, and each and every subcontractor (of every tier) will, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage will be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Consultant will file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

H. EVIDENCE OF COMPLIANCE

Consultant or its insurance broker will provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage will be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Consultant will submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement will be mailed to:

EBIX Inc.
City of Santa Clara Finance Department
P.O. Box 100085 – S2 or 1 Ebix Way
Duluth, GA 30096 John's Creek, GA 30097

Telephone number: 951-766-2280
Fax number: 770-325-0409
Email address: ctsantaclara@ebix.com

I. QUALIFYING INSURERS

All of the insurance companies providing insurance for Consultant will have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or will be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.