



Administrative Services Committee Meeting Committee Room- 11/23/2009- 12:35 PM

ADMINISTRATIVE SERVICES

1. Approve ADP as Augusta's Human Resource Information System (HRIS) ☐ [Attachments](#)
Provider for Health and Welfare Services pending contract negotiations.
2. Discuss proposed Municipal Option Sales Tax (MOST). (Requested by ☐ [Attachments](#)
Commissioners Grantham and Hatney)

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Administrative Services Committee Meeting

11/23/2009 12:35 PM

Approve contractual agreement with ADP as Augusta's Human Resource Information System (HRIS) Provider for Health and Welfare Services.

Department: Human Resources

Caption: Approve ADP as Augusta's Human Resource Information System (HRIS) Provider for Health and Welfare Services pending contract negotiations.

Background: Augusta has never had a true HRIS System and this has at times created challenges for the Human Resources Department in the benefits area. An RFP was developed and distributed to find a HRIS solution that would fit the needs of the Augusta Human Resources Department. Two responses to the RFP were received from ADP and Kronos. The selection committee closely reviewed both proposals and selected ADP. Backup information on the proposal and pricing is attached.

Analysis: The approximate savings from implementing this program is \$200,000. This will more than cover the cost of implementation and monthly maintenance. This will the human Resources department to work more efficiately and be a great resource for employee and retirees.

Financial Impact:

Alternatives: Do not to approve contractual agreement with ADP as Augusta's Human Resource Information System (HRIS) Provider for Health and Welfare Services.

Recommendation: Approve contractual agreement with ADP as Augusta's Human Resource Information System (HRIS) Provider for Health and Welfare Services.

Funds are Available in the Following Accounts:

REVIEWED AND APPROVED BY:

Procurement.
Information Technology.
Finance.
Law.
Administrator.
Clerk of Commission

ANNEX A General Terms and Conditions

SECTION 1 DEFINITIONS.

Capitalized words in this Agreement that are not otherwise defined have the meanings shown below, for both singular and plural forms. Unless otherwise specified, any reference in this Annex to a section or other subdivision is a reference to a section or subdivision of this Annex.

1.1 **"ADP Products"** means the Application Programs, tutorials and related documentation delivered to Client by ADP.

1.2 **"Additions Schedule"** means a written supplement to this Agreement, signed by Client and ADP, describing additional Services to be provided by ADP to Client.

1.3 **"Agreement"** means this Master Services Agreement, each Annex marked on the cover page and each Additions Schedule that supplements this Master Services Agreement, as amended from time to time.

1.4 **"Application Programs"** means the computer software programs and modules delivered to Client by ADP as part of the Services but excludes pre-packaged third party software and custom programs developed by ADP for Client.

1.5 **"Business Day"** means any day except a Saturday, a Sunday, or a Federal holiday.

1.6 **"Client Group"** means Client, Client's majority owned subsidiaries, and affiliates of Client. Affiliates are listed in Section 1 of Annex Z.

1.7 **"Client Infringement Event"** means (i) any change, or enhancement in the ADP Products made by Client or any third party for the Client, (ii) Client's use of the ADP Products except as permitted under this Agreement or in combination with any hardware, software or other materials not expressly authorized by ADP, (iii) Client's use of other than the most current release of the ADP Products that results in a claim or action for infringement that could have been avoided by use of the current release, or (iv) the provision by Client to ADP of materials, designs, know-how, software or other intellectual property with instructions to ADP to use the same in connection with the Services.

1.8 **"Confidential Information"** means all information that is confidential or proprietary provided by the disclosing party to the receiving party for use in connection with the Services, but does not include (i) information the receiving party already knows (ii) information that becomes generally available to the public except as a result of disclosure by the receiving party in violation of this Agreement, and (iii) information that becomes known to the receiving party from a source other than the disclosing party on a non-confidential basis. Confidential Information also includes all trade secrets, processes, proprietary data, information or documentation or any pricing or product information the disclosing party provides to the receiving party.

1.9 **"Effective Date"** means the date written in the space marked "Effective Date" on the cover page of this Agreement.

1.10 **"Services"** means the services described in each Annex, the services in each Additions Schedule, and any other services that ADP provides to Client at Client's request.

1.11 **"Termination Event"** means with respect to any party, (i) that party becomes the subject of a proceeding under the Bankruptcy Code, (a) seeking the appointment of a trustee, receiver or custodian or (b) seeking the liquidation, winding-up, dissolution, reorganization or the like of such party, and the proceeding is not dismissed within 30 days of its commencement, or (ii) a substantial part of such party's property becomes subject to any levy, seizure, assignment, application or sale for or by any creditor or government agency, (iii) a moratorium is agreed or declared with regard to the payment or performance of such party's obligations, or (iv) such party makes an assignment for the benefit of creditors. If part (i) of this Section 1.11 occurs with respect to Client, Client agrees to promptly seek court authorization to pay all fees as an administrative expense, if deemed appropriate by the trustee and the court having jurisdiction over the proceeding.

SECTION 2 THE SERVICES.

2.1 **Use of Services.** Client will follow the instructions and reasonable policies established by ADP from time to time and communicated to Client. Client will use the Services only for the internal business purposes of the Client and the Client Group. Client agrees that each of the entities included in the Client Group must comply with each of the provisions contained in this Agreement applicable to the Client. Client will provide to ADP access to Client's systems, and will maintain its internal systems, equipment and software, as required in order for ADP to provide the Services. Client agrees to procure and maintain appropriate licenses to the software and other works in respect of which interfaces are to be delivered or maintained by ADP as part of the Services.

2.2 **Accuracy of Client Information, Review of Output.** All Services will be based upon information provided to ADP by Client and Client is responsible for the accuracy and timely input of all such information. Upon receipt from ADP, Client will promptly review all payroll registers, disbursement records, reports and documents produced by ADP for accuracy, validity and conformity with Client's records. Client will promptly notify ADP of any error or omission discovered by Client or any discrepancy between the information provided by ADP and Client's records and will not distribute any paycheck or rely on any record, report or document containing any discovered error, omission or discrepancy until such error, omission or discrepancy, has been corrected. Client will be responsible for the consequences of any instructions Client may give to ADP.

2.3 **Compliance with Laws.** The Services are designed to assist Client in complying with its applicable legal and regulatory responsibilities. Nevertheless, Client (and not ADP) will be responsible (i) for compliance by Client with all laws and governmental regulations affecting its business and (ii) for any use Client may make of the Services to assist it in complying with such laws and governmental regulations. ADP acknowledges that this Agreement and certain documentation may be subject to the Georgia Open Records Act (O.C.G.A. § 50-18-70, et seq.). ADP shall cooperate fully in responding to such requests and shall make all records, not exempt, available for inspection and copying as required by law. ADP shall clearly mark any information provided to Client which ADP contends is Proprietary Information. ADP shall notify Client immediately of any Open Records request arising out of this contract and shall provide to Client a copy of any response to the same.

2.4 Communication Lines. Except as otherwise provided in this Agreement, if the Services require the use by Client of communication lines to connect to ADP facilities, Client will be responsible for those communication lines. Client will pay all installation, use, service and repair charges for the communication lines. ADP will not be responsible for the reliability or availability of the communication lines used by Client to access the Services.

2.5 Additional Services. If Client requests additional services not included in this Agreement, and ADP agrees to provide those services, such services will be included in an Additions Schedule, an Amendment or Change Item to be signed and attached to and made a part of this Agreement.

SECTION 3 FEES, TAXES AND PAYMENT TERMS.

3.1 Fees for Services. Client will pay ADP for the Services at the fees shown in Annex Z. Client will pay those fees regardless of which entity in the Client Group receives the Services. The fees in Annex Z are based upon current requirements, specifications, volumes and quantities as communicated by Client to ADP and may be revised if Client's actual requirements, specifications, volumes or quantities vary materially from those communicated to ADP. The fees in Annex Z do not include amounts to be paid by Client to third parties in connection with the Services.

3.2 Taxes. Client will pay directly, or will pay to ADP, an amount equal to all applicable taxes or similar fees levied or based on this Agreement or the Services, exclusive of taxes based on ADP's net income.

3.3 Payment Terms. Client will pay all invoices in full within 25 days of invoice date. All amounts not paid when due are subject to a late payment charge of 1½% per month (not to exceed the maximum allowed by law) of the past due amount from the due date until the date paid. All fees are shown in U.S. Dollars and all payments will be made in U.S. Dollars.

3.4 Collection Expenses. Both parties will reimburse each other for all expenses each may incur, including reasonable attorney fees, in collecting any amounts past due under this Agreement.

SECTION 4 DISCLAIMER OF WARRANTIES.

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ADP EXPRESSLY DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS WITH RESPECT TO THE SERVICES, THE ADP PRODUCTS, CUSTOM PROGRAMS OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP.

SECTION 5 INTELLECTUAL PROPERTY.

5.1 Ownership of Proprietary Rights. The ADP Products will at all times remain the exclusive, sole and absolute property of ADP or the third parties from whom ADP has obtained the right to use the ADP Products. Except for the license granted to Client in this Agreement, Client will have no interest in the ADP Products. All rights, title and interest in or to any copyright, trademark, service mark, trade secret, and other proprietary right relating to the ADP Products and the related logos, product names, etc. are reserved and all rights not expressly granted are reserved by ADP and such third parties. Client may not obscure, alter or

remove any copyright, trademark, service mark or proprietary rights notices on any ADP Products.

5.2 ADP Infringement Indemnity. ADP will defend Client in any suit or cause of action alleging that the ADP Products as provided by ADP and used in accordance with the terms of this Agreement infringe upon any United States patent, copyright, trade secret, or other proprietary right of a third party. ADP will pay damages assessed, including reasonable attorneys' fees and settlement amounts, against Client in any such suit or cause of action, *provided that*, (i) ADP is promptly notified in writing of such suit or cause of action, (ii) ADP controls any negotiations or defense and Client assists ADP as reasonably required by ADP, and (iii) Client takes all reasonable steps to mitigate any potential damages that may result. The foregoing infringement indemnity will not apply and ADP will not be liable for any damages assessed in any suit or cause of action to the extent resulting from a Client Infringement Event. If any ADP Product is held or believed to infringe on any third-party's intellectual property rights, ADP may, in its sole discretion, (a) modify the ADP Product to be non-infringing, (b) obtain for Client a license to continue using such ADP Product, or (c) if neither (a) nor (b) are practical, terminate this Agreement as to the infringing ADP Product and return to Client any unearned fees paid by Client to ADP in advance. This Section 5.2 states ADP's entire liability and Client's exclusive remedies for infringement of intellectual property rights of any kind.

5.3 Client Infringement Indemnity. Client will defend ADP against, and pay damages assessed in, any suit or cause of action alleging infringement upon any United States patent, copyright, trade secret, or other proprietary right of a third party, to the extent that any such suit or cause of action results from a Client Infringement Event.

SECTION 6 GENERAL PROVISIONS.

6.1 Protection of Client Files. ADP will take reasonable precautions to prevent the loss of or alteration to Client's data files in ADP's possession. Client will, to the extent it deems necessary, keep copies of all source documents of the information delivered to ADP or inputted by Client or on behalf of Client into the ADP system and will maintain a procedure external to the ADP system for the reconstruction of lost or altered data files.

6.2 Employee and Plan Participant Access. Client shall ensure that its employees and plan participants ("Users") who access the Services or the System comply with any on-line terms. ADP may suspend or discontinue access to the Services by any User if ADP reasonably believes that such User has violated such terms or is otherwise using the Services in an inappropriate manner. Client shall take any and all actions reasonably necessary to maintain the privacy of User names and passwords for the Services and the System.

6.3 Nondisclosure. All Confidential Information disclosed under this Agreement will remain the exclusive and confidential property of the disclosing party. The receiving party will not disclose the Confidential Information of the disclosing party and will use at least the same degree of care, discretion and diligence in protecting the Confidential Information of the disclosing party as it uses with respect to its own confidential information. The receiving party will limit access to Confidential Information to its employees with a need to know the Confidential Information and will instruct those employees to keep the information confidential. It is understood, however, that ADP may disclose the Client's Confidential Information on a need to know basis to its subcontractors who are performing Services for the Client, provided those subcontractors have executed confidentiality agreements and further provided that ADP shall remain liable for any unauthorized disclosure of the Client's Confidential Information by those subcontractors. In addition, ADP will establish and follow

reasonable security measures to prevent unauthorized access to Client's data files. Notwithstanding the foregoing, the receiving party may disclose Confidential Information (i) to the extent necessary to comply with any law, rule, regulation or ruling applicable to it, (ii) as appropriate to respond to any summons or subpoena or in connection with any litigation and (iii) to the extent necessary to enforce its rights under this Agreement. Upon the request of the disclosing party, the receiving party will return or destroy all Confidential Information of the disclosing party that is in its possession. The provisions of this Section 6.3 will survive the termination of this Agreement.

6.4 No Solicitation of Employees. Neither party will recruit or solicit the other's personnel or employees that have become known to a party as a result of the Services performed until the earlier of one year after (i) the termination of this Agreement or (ii) that person is no longer employed by the other party. The provisions of this Section 6.4 will survive the termination of this Agreement.

6.5 U.S. Government Restricted Rights. The Services, the ADP Products and the related materials are provided with RESTRICTED RIGHTS. Use, duplication or disclosure by the Government is subject to restrictions in FAR §52.227-14, FAR §52.227-19, or DFARS §252.227-7013(c)(1)(ii), as applicable. Contractor is ADP, Inc., 5800 Windward Parkway, Alpharetta, GA 30005.

6.6 Independent Contractors. The performance by ADP of its duties and obligations under this Agreement will be that of an independent contractor and nothing contained in this Agreement will create or imply an agency, joint venture or partnership between ADP and Client. Neither the employees of ADP nor ADP's subcontractors will be considered employees or agents of Client. Unless expressly stated in this Agreement, none of ADP, its employees or its subcontractors may enter into contracts on behalf of, bind, or otherwise obligate Client in any manner whatsoever.

6.7 Use of Services via the Internet. This provision applies to any Services which are being provided to Client via the Internet or which Client may access via the Internet. Data transmitted through the Internet is encrypted for Client's protection. However, the security of transmissions over the Internet can never be guaranteed. ADP is not responsible for Client's access to the Internet, for any interception or interruption of any communications through the Internet, or for changes to or losses of data through the Internet. In order to protect Client and Client's data, ADP may suspend Client's use of the Services via the Internet immediately, without notice, pending an investigation, if any breach of security is suspected.

6.8 Use Outside the U.S. Except as otherwise specifically agreed by ADP and the Client in writing, Client will use the Services and the ADP Products only in the U.S. For any agreed upon use of the Services or the ADP Products outside the U.S., Client agrees to comply with any applicable export restrictions, laws and regulations imposed from time to time by the governments of the U.S. or the other country, if any, in which the ADP Products will be used by Client.

SECTION 7 LIMITATION OF LIABILITY.

7.1 Errors and Omissions. Subject to any claim by Client under Section 7.3 or any section in the Annexes titled "Further Limitation of Liability," ADP's liability for claims of any type or character arising from errors or omissions in the Services that are caused by ADP shall be to correct the affected Client report, data or tax agency's filings, as the case may be. Upon the request of Client, ADP will correct any error or omission made by ADP in connection with the Services at no additional charge to Client.

7.2 Mitigation of Damages. ADP and Client will each use reasonable efforts to mitigate any potential damages or other adverse consequences arising from or related to the Services.

7.3 Limit on Monetary Damages. Notwithstanding anything to the contrary contained in this Agreement, ADP's liability under this Agreement for damages (monetary or otherwise) under any circumstances for claims of any type or character arising from or related to a particular Service will be limited in each instance to the amount of actual damages incurred by Client, *provided, however,* that ADP's aggregate liability hereunder in any calendar year (other than and subject to Section 5.2 of Annex A, and (if applicable) Section 4 of Annex C, and Section 3 of Annex E) will not exceed six (6) times the average charge for one month's fees paid by Client to ADP for the affected Service during such calendar year. If Client continues to receive Services, any such monetary damages shall be paid to Client by way of a credit against future fees payable. The Annexes attached to this Agreement may contain provisions further addressing the liability of ADP for monetary damages.

7.4 No Consequential Damages. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER ADP NOR CLIENT WILL BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES (INCLUDING LOST PROFITS) THAT THE OTHER PARTY MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

7.5 Limitation of Liability relating to Breach of Section 6.3, Nondisclosure. The limitation of liability specified in Sections 7.3 and 7.4 shall not apply to a breach of Section 6.3 (Nondisclosure). In the event of a breach of Section 6.3 (Nondisclosure), ADP's aggregate liability hereunder in any calendar year will not exceed twelve (12) times the average charge for one month's fee paid by Client to ADP for the affected Service during such calendar year. Any damages recovered under this Section will be applied against and will reduce according, ADP's limitation of liability in Section 7.3.

SECTION 8 TERM AND TERMINATION.

8.1 Initial Term. This Agreement is effective on the Effective Date. The initial term ("Initial Term") of this Agreement starts on the Effective Date and ends on the termination date shown in Annex Z.

8.2 Renewals. Subject to approval by Client, after the Initial Term, this Agreement may be renewed for additional one-year periods unless terminated by either party upon prior written notice to the other.

8.3 Termination by Client. In addition to any termination rights in other Annexes, if (i) ADP fails to perform any material obligation under this Agreement and that failure continues for 60 days after ADP receives written notice from Client specifying in reasonable detail the nature of that failure, or (ii) a Termination Event occurs with respect to ADP, Client may terminate this Agreement by further written notice to ADP.

8.4 Termination by ADP. In addition to any termination rights in other Annexes, if (i) Client fails to pay any amount due under this Agreement within 25 days after the due date, (ii) Client fails to perform any other material obligation and that failure continues for 60 days after Client receives written notice from ADP specifying in reasonable detail the nature of that failure, or (iii) a Termination Event occurs with respect to Client, ADP may terminate this Agreement by further written notice to Client. In the

event that the material breach in question is a failure to reimburse ADP for funds expended by ADP on Client's behalf (e.g., failure to reimburse ADP for tax filing amounts filed by ADP on Client's behalf), then the time to cure shall be 10 days in lieu of 60 days. At ADP's option, ADP may, in the event of delinquent payment pursuant to clause (i), suspend the affected Services upon ten (10) Business Day's prior written notice to Client, and ADP shall have no liability to Client for such suspended Services.

8.5 Buy Out Fee. Client shall have the right to terminate this Agreement for Client's convenience prior to the end of the Initial Term for any reason except those in Section 8.3. Client shall pay to ADP a buy-out fee ("Buy Out Fee") equal to A multiplied by B divided by 2, where A equals the number of months remaining in the Initial Term of the Agreement at the effective date of termination, and B equals the average monthly fee for all Services under this Agreement during the twelve-month period immediately preceding the termination (or a shorter period of time if monthly fees have been payable for less than twelve months at the termination date). If monthly fees for Services have not yet been payable at the time of termination, B shall equal the estimated monthly fees that would have been payable under this Agreement. Client's obligation to pay the Buy Out Fee shall not affect its obligation to pay any Early Exit Fee or Deferred Fee payable under this Agreement. Client shall also pay one-half the Buy Out Fee in the event of any reduction in Client's volume or usage of the Services by more than fifty percent.

8.6 Effect of Termination. Upon expiration or termination of this Agreement, or any Annex or Additions Schedule or any Services for any reason, (i) all licenses and other rights granted to Client under the respective Annex or Additions Schedule or in connection with the terminated Services, will become null and void, (ii) all materials provided by either party to the other under the respective Annex or Additions Schedule or in connection with the terminated Services, will be returned within five Business Days after the effective date of termination, and (iii) all earned and unpaid fees and expenses will become immediately due and payable. Each party's termination rights in this Agreement are cumulative and are in addition to all other rights and remedies available to the parties.

SECTION 9 MISCELLANEOUS PROVISIONS.

9.1 Amendment. This Agreement may not be modified except by a writing signed by the authorized representatives of ADP and Client.

9.2 Notices. All communications required to be sent or given under this Agreement will be in writing and will be duly given and effective immediately if delivered in person or five Business Days after mailed by certified mail return receipt requested or upon confirmation of signature recording delivery, if sent via a nationally recognized overnight courier service with signature notification requested, to Client at the address shown on the first page of this Agreement or to ADP at the address shown in Annex Z or to any other address a party may identify in writing from time to time. For ADP, a copy of all communications of a legal nature must be sent to ADP, Inc., One ADP Boulevard, MS 425, Roseland, New Jersey 07068, Attention: General Counsel. For Client, a copy of all communications of a legal nature must be sent to Augusta Law Department, 501 Greene Street, Suite 302, Augusta, GA 30901. Attention: General Counsel.

9.3 Injunctive Relief. In the event of an actual or impending breach of Section 6.3 or 6.4, the non-breaching party, in addition to any remedy available at law, will be entitled to seek equitable relief, including injunction and specific performance.

9.4 Assignment. Neither this Agreement, nor any of the rights or obligations under this Agreement, may be assigned by

any party without the prior written consent of the other party. Notwithstanding the foregoing, certain of the Services to be provided by ADP will be provided by subsidiaries of Automatic Data Processing, Inc., and ADP shall be responsible for the performance of those subsidiaries. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and permitted assigns.

9.5 Entire Agreement. This Agreement, including the Annexes and Additions Schedules, is the entire agreement and understanding between ADP and Client with respect to the subject matter and merges and supersedes all prior discussions, agreements and understandings of every kind and nature between them, and no party will be bound by any representation, warranty, covenant, term or condition other than as expressly stated in this Agreement. If any provision of an Annex or Additions Schedule conflicts with a provision of another Annex or Additions Schedule, the provision of each Annex or Additions Schedule will govern, but solely with respect to the Services covered by such Annex or Additions Schedule. **Purchase Orders submitted by Client are for Client's internal administrative purposes only and the terms and conditions contained in those purchase orders will have no force and effect.**

9.6 No Third Party Beneficiaries. Nothing in this Agreement creates, or will be deemed to create, third party beneficiaries of or under this Agreement. CLIENT AGREES THAT OTHER THAN ADP'S OBLIGATIONS TO CLIENT IN THIS AGREEMENT, ADP HAS NO OBLIGATION TO ANY THIRD PARTY (INCLUDING, WITHOUT LIMITATION, CLIENT'S EMPLOYEES AND/OR ANY TAXING AUTHORITIES) BY VIRTUE OF THIS AGREEMENT.

9.7 Force Majeure. Any party to this Agreement will be excused from performance under this Agreement for any period of time that the party is prevented from performing its obligations under this Agreement due to an act of God, war, earthquake, civil disobedience, court order, or other cause beyond the party's reasonable control. Such non-performance will not constitute grounds for default.

9.8 Waiver. The failure by any party to this Agreement to insist upon strict performance of any provision of this Agreement will not constitute a waiver of that provision.

9.9 Headings. The section headings in this Agreement are intended for convenience of reference and will not affect its interpretation.

9.10 Severability. If any provision of this Agreement is held invalid, illegal, or unenforceable, the validity, legality or enforceability of the remainder of this Agreement will not in any way be affected or impaired.

9.11 Governing Law. This Agreement will be governed by and construed in accordance with the internal laws of the State of Georgia, without regard to conflict of law principles.

9.12 Use of Client's Name. ADP may use Client's name for promotional purposes subject to Client's prior written consent.

SECTION 10 ADP ENTITY.

Notwithstanding the use in this Annex of the term "ADP", to the extent the provisions in this Annex are applicable to the particular Services described in the Annexes attached, each of the rights and obligations in this Agreement are applicable to and assumed by ADP and/or the wholly-owned subsidiary of Automatic Data Processing, Inc. which may be designated as the service provider

in a particular Annex. ADP shall be responsible for the performance of such subsidiary(ies).

CDF
11/3/09

ANNEX K Benefits Administration Services

SECTION 1 BENEFITS ADMINISTRATION SERVICES.

1.1 Description. ADP will provide the benefits administration services specified in Annex Z (collectively, the "Benefit Services") to the Client in accordance with the terms of this Agreement. Upon any additional or modified services hereunder being requested by the Client Benefits Liaison (as defined herein), such shall be incorporated into the Benefit Services without further action by Client, if an attachment describing such additional services and accompanying changes, if any, in fees, shall be approved in writing by ADP and the Client Benefits Liaison. Upon such written approval, such additional attachment shall be deemed incorporated into this Agreement.

1.2 Grant of License; Limitation on Use. ADP grants to Client a personal, non-exclusive, non-transferable right and license to use solely for the internal business usage of the Client Group and only in connection with its receipt of Benefit Services, the Application Programs delivered to Client, if any, in connection with the Benefit Services. Client may make one copy of the Application Programs only for its own backup purposes. Client may not make a copy of any of the Application Programs which include a mechanism to limit or inhibit copying and are marked "copy protected". Client will not copy (except as provided above), assign, loan, sub-license or otherwise transfer the Application Programs, or alter, modify or adapt (or cause to be altered, modified or adapted) the Application Programs. Client may not obscure, alter or remove any copyright, trademark, service mark or proprietary rights notices on any Application Programs. Client will not publish the results of benchmark tests run with the Application Programs. CLIENT WILL NOT RECOMPILE, DISASSEMBLE, REVERSE ENGINEER, OR MAKE OR DISTRIBUTE ANY OTHER FORM OF OR, EXCEPT AS PERMITTED BY THIS SECTION 1.2, ANY DERIVATIVE WORK FROM, THE APPLICATION PROGRAMS. Client's use of any pre-packaged third party software will be governed by the terms and conditions of the applicable third party license agreement delivered to Client with such pre-packaged third party software. Client will not (i) employ the development tools provided to Client, (ii) write or modify reports (excluding ReportSmith reports) or interfaces or (iii) modify the database, in any way, except as expressly authorized by ADP.

1.3 Improvements, Enhancements, etc. ADP will deliver to Client, at no additional cost, all improvements, enhancements, modifications and updates to any Application Programs that are included in the Benefit Services if and as they are made generally available by ADP to its other clients at no additional cost. All other improvements, enhancements, modifications and updates to any Application Programs will be made available by ADP to Client at ADP's then prevailing prices. All such improvements, enhancements, modifications and updates may, if applicable, be delivered to Client in the form of computer media, which will be installed by Client.

1.4 Delivery of Client Content. Client shall promptly deliver to ADP the Client Content as required by ADP in an electronic file format specified and

accessible to ADP or as otherwise set forth in Annex Z. "Client Content" means any materials provided by Client for incorporation in the Benefit Services, including, but not limited to, any images, photographs, illustrations, graphics, audio clips, video clips and text.

1.5 License to Client Content. Client hereby grants ADP a non-exclusive, non-transferable license to use, edit, modify, adapt, translate, exhibit, publish, reproduce, copy (including back-up copies) and display the Client Content as reasonably necessary to perform the Benefit Services.

1.6 Limitation on Client Content. Client is solely responsible for all Client Content and for obtaining all required rights and licenses to use and display such Client Content in connection with the Benefit Services. Client shall provide to ADP Client Content that does not contain any content or materials which are obscene, offensive, inappropriate, threatening, malicious, which violate any applicable law or regulation or any contract, privacy or other third party right or which otherwise exposes ADP to civil or criminal liability. ADP reserves the right to exclude or immediately remove from the System any Client Content which violates the previous sentence, provided that ADP has no obligation to review or monitor the Client Content. "System" means the hardware, operating system software, web application (if applicable to the Benefit Services), Application Programs, database programs and network connectivity described in Annex Z.

SECTION 2 SPECIFIC PROCEDURES.

2.1 Processing FSA Claims for Certain Run-Out Periods. This Section 2.1 shall apply if ADP is providing flexible spending account ("FSA") services ("FSA Services") as part of the Benefit Services. If ADP fulfills a Client request to process FSA claims for a run-out period that relates to a plan year or any portion of a plan year during which ADP was not the Client's service provider for the applicable flexible benefit plan ("prior year run-out period"), Client shall retain full responsibility for the accuracy and overall compliance of its plan with respect to the claims processing during the prior year run-out period. ADP will process and reimburse such claims upon Client request, using each participant's remaining balance prior to the run-out period, as provided by Client, and make any adjustments to such balance as needed.

Notwithstanding any representation, warranties or covenants ADP makes in any part of this Agreement to Client regarding FSA Services, ADP shall not be responsible or liable for any consequences, damages, penalties, or similar issues relating to processing and reimbursing FSA claims per Client direction from Client's previous plan year (or any portion thereof) which was not fully administered by ADP.

2.2 Client Benefits Liaison. Prior to the commencement of ADP's provision of Benefit Services, Client shall designate in writing to ADP the name or names of one or more persons who shall serve as ADP's designated contact for the Benefit Services (the "Client Benefits Liaison"). Client hereby represents and warrants to ADP that the Client Benefits Liaison has, and shall at all times have, the requisite authority to

transmit information, directions and instructions on behalf of Client, each "plan administrator" (as defined in Section 3(16)(A) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and Section 414(g) of the Internal Revenue Code of 1986, as amended (the "Code")) and, if applicable, each "fiduciary" (as defined in Section 3(21) of ERISA) of each separate employee benefit plan covered by the Benefit Services (each, a "Benefit Plan"). The Client Benefits Liaison also shall be deemed to have authority to issue, execute, grant, or provide any approvals (other than amendments to this Agreement), requests, notices, or other communications required or permitted under this Agreement (including, without limitation, Change Items) or requested by ADP in connection with the Benefit Services.

2.3 Client Responsibility. In the event ADP shall have any questions relating to a particular set of facts, or if a participant or beneficiary of a Benefit Plan notifies ADP of an objection to ADP's interpretation or application of any policies provided to ADP by Client, then ADP shall notify the Client Benefits Liaison in writing of such questions or objections. The Client Benefits Liaison shall have the responsibility to obtain answers to any such questions or objections and ADP shall be entitled to rely upon such answers and to follow any directions communicated by the Client Benefits Liaison. Client authorizes ADP to release employee-related data to health care providers or other third party vendors of Client as are designated by Client from time to time.

2.4 Benefit Plan Information. Prior to the commencement of Benefit Services, Client shall furnish to ADP all necessary information and data ("Client Benefits Data") for each Benefit Plan. Thereafter, Client shall provide ADP with all Client Benefits Data that is necessary for the provision by ADP of Benefit Services and is the responsibility of Client to provide under this Agreement.

2.5 Benefit Plan Amendments. Implementation of any Benefit Plan amendment by ADP shall constitute ADP's acceptance of the use of the documents for such amendment, but shall not constitute ADP's approval of such documents' contents or their effect. Client shall assume full responsibility to ADP and to all interested parties for such contents and effect.

2.6 Compliance of Benefit Plans. Client shall be responsible for the final preparation, approval and submission of all Benefit Plans and related amendments to the applicable government authority. Client shall be responsible for, and shall take all measures required under state and federal law (including applicable provisions of the Code and the regulations promulgated thereunder) and all other applicable laws and regulations, to assure the qualification and compliance of the Benefit Plans with such laws. ADP shall be under no duty to question the measures taken by Client pursuant to any section of this Annex K.

2.7 Mutual Indemnity. Except as otherwise provided in this agreement, Client shall indemnify, defend and hold ADP harmless from and against any and all liabilities, claims, penalties, damages, forfeitures, suits, and the costs and expenses

incident thereto (including the costs and expenses of defense, settlement and reasonable attorneys' fees), arising from or claimed to have arisen from the performance by ADP of the Benefit Services, including any such liability, claims, damages, costs or expenses arising from or claimed to have arisen from actions ADP performs in connection with Benefit Services pursuant to any Client Benefits Data supplied by Client or any instruction, request or representation of Client, except to the extent such liability, claims, damages, costs or expense arise from the gross-negligence or willful misconduct of ADP. ADP shall be under no duty to review any such Client Benefits Data, instruction, request or representation.

Subject to the limitation on monetary damages set forth in Annex A, ADP shall indemnify, defend and hold Client harmless from and against any and all liabilities, claims, penalties, damages, forfeitures, suits, and the costs and expenses incident thereto (including the costs and expenses of defense, settlement and reasonable attorneys' fees), arising from or claimed to have arisen from ADP's breach of this Agreement in connection with the Benefit Services, except to the extent such liability, claims, damages, costs or expense arise from the gross-negligence or willful misconduct of the Client.

2.8 Disclaimer. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE SCOPE OF SERVICES, CLIENT EXPRESSLY ACKNOWLEDGES THAT ADP IS NOT THE "ADMINISTRATOR" OR "PLAN ADMINISTRATOR" AS DEFINED IN SECTION 3(16)(A) OF ERISA AND SECTION 414(g) OF THE CODE, RESPECTIVELY, NOR IS ADP A "FIDUCIARY" WITHIN THE MEANING OF ERISA SECTION 3(21), NOR IS ADP A "HEALTH CARE CLEARINGHOUSE" WITHIN THE MEANING OF SECTION 1171 OF HIPAA AND CLIENT SHALL NOT REQUEST OR OTHERWISE REQUIRE ADP TO ACT AS SUCH. ADP SHALL NOT EXERCISE ANY DISCRETIONARY AUTHORITY OR DISCRETIONARY CONTROL RESPECTING MANAGEMENT OF ANY BENEFIT PLAN OR MANAGEMENT OR DISPOSITION OF ANY BENEFIT PLAN ASSETS. ADP SHALL NOT RENDER INVESTMENT ADVICE FOR A FEE OR OTHER COMPENSATION, DIRECT OR INDIRECT, WITH RESPECT TO ANY MONIES OR OTHER PROPERTY OF ANY BENEFIT PLAN, NOR DOES ADP HAVE ANY AUTHORITY OR RESPONSIBILITY TO DO SO. ADP HAS NO DISCRETIONARY AUTHORITY OR DISCRETIONARY RESPONSIBILITY IN THE ADMINISTRATION OF THE BENEFIT PLAN(S).

SECTION 3 FUNDING OF OBLIGATIONS AND SPECIAL PAYMENT PROVISIONS.

3.1 Funding of Obligations. If applicable, Client will remit or otherwise make available to ADP sufficient good and available funds within the commercially reasonable deadline established by ADP and via a reasonable method of delivery reasonably required by ADP to cover Client's third party payment obligations covered by the Benefit Services (including, without limitation, as applicable, Client's payment obligations to its employees and its health and welfare insurance carriers (the "Carriers")). With respect to flexible spending account and commuter benefits

administrative Benefit Services, the method of delivery shall be direct debit. ADP will apply such funds to satisfy the Client's third party payment obligations as required to perform the Benefit Services. ALL AMOUNTS EARNED ON ALL FUNDS REMITTED TO ADP IN CONNECTION WITH ADP'S BENEFIT SERVICES PENDING DISBURSEMENT TO CLIENT, CLIENT'S EMPLOYEES, OR CARRIERS SHALL BE RETAINED BY ADP AS COMPENSATION. ADP'S CURRENT PROCESS FOR DISBURSEMENT OF SUCH FUNDS IS DESCRIBED ON ATTACHMENT 1. ADP MAY COMMINGLE CLIENT'S FUNDS WITH SIMILAR FUNDS FROM OTHER CLIENTS AND WITH SIMILAR ADP AND ADP-ADMINISTERED FUNDS.

3.2 Funds and Termination. Upon termination of this Agreement Client directs ADP to send all outstanding and/or remaining Client funds to Client, and all outstanding and/or remaining participant or carrier funds to the applicable participant or carrier as appropriate. If this Agreement is terminated and ADP is unable to contact Client after three reasonable attempts using the contact data on file with ADP, Client directs ADP to treat Client funds as unclaimed funds, subject to state escheatment or similar laws.

SECTION 4 IMPLEMENTATION SERVICES.

4.1 Implementation Services. If specified in Annex Z, ADP will assist Client in implementing the Benefit Services for the benefit of and in conjunction with Client in accordance with the provisions of this Section 4. ADP will use commercially reasonable efforts to complete the implementation services in a timely manner.

4.2 Conversion of Data. Client shall provide to ADP, and shall cause any third-party providers to provide to ADP, such applicable Client files, databases and other information related to the Benefit Plans and the participants, beneficiaries and other individuals interested therein (the "Client Files") as is necessary to permit the Benefit Services to be performed by ADP, or as otherwise reasonably requested by ADP and approved by Client (which approval shall not be unreasonably withheld). Client assumes the responsibility for the Client Files to be transmitted to ADP, including, but not limited to, their condition, content, format, usability or correctness. Client shall perform all Client Files refinement, purification and reformatting in order for the Benefit Services to be performed by ADP. ADP may request approval from the Client (such approval not to be unreasonably withheld) to perform such services at an expense to be determined by the parties if Client fails to perform Client's obligations in the preceding sentence. Client will cooperate with ADP and provide ADP with all necessary information and assistance required in order for ADP to successfully convert the Client Files. ADP will notify Client when, in accordance with its normal acceptance procedures, the applicable Client Files have been successfully converted and when the Benefit Services are operational and available for Client's use. The obligations described in this Section 4.2 shall apply to ongoing provision of Client Files to ADP by Client.

4.3 Project Managers. Each of Client and ADP will designate a project manager for the implementation of the Benefit Services and will

promptly notify the other of the name, telephone number and address of such person. The Client project manager and the ADP project manager, as appropriate, will be deemed to have authority to issue, execute, grant, or provide any approvals, requests, notices, or other communications required under this Annex or requested by the other party in connection with the implementation of the Benefit Services.

4.4 Review Meetings. As agreed by the project managers, appropriate personnel from ADP and Client will meet to discuss the progress made in the performance of their respective obligations under this Agreement during the preceding period.

SECTION 5 CUSTOM PROGRAMMING.

If ADP develops computer programs for Client's use in connection with the Benefit Services, such computer programs will be owned by ADP, and Client shall retain a non-exclusive, non-transferable license to such computer programs, subject to the remainder of this Section 5. All rights to such computer programs not expressly granted to Client hereunder are reserved by ADP. ADP shall be entitled to use such computer programs without having to account to Client or to obtain Client's prior consent. The fees for developing such computer programs will be mutually agreed to by ADP and Client and are in addition to any other charges covered by this Agreement. Client agrees to allow such computer programs to be used solely in connection with its receipt of the Benefit Services. All such computer programs shall exclude the Application Programs.

SECTION 6 ADDITIONAL TERMINATION OR SUSPENSION BY ADP.

The provisions of Sections 6.1 and 6.2 do not apply to any Benefit Services which are provided to Client under the terms of Section 10.

6.1 Basis for Termination. If Client fails to comply with any provision of Section 3.1 hereof ADP may terminate the applicable Benefit Service under this Agreement immediately upon notice to Client. If any Benefit Service is terminated by ADP, Client will immediately (i) be responsible for payment of Client's third party obligations covered by the affected Benefit Services then and thereafter due, including, without limitation, any penalties and interest accruing after the date of such termination, and (ii) reimburse ADP for all third party obligations paid by ADP on behalf of Client and theretofore not paid or reimbursed by Client. The termination of any Benefit Service shall immediately terminate Client's license to such software provided hereunder that is designated by ADP as adjunct to such Benefit Service.

6.2 Reinstatement after Termination. If ADP terminates any Benefit Service pursuant to Section 6.1 and Client determines that its failure to comply with the provisions of Section 3.1 was the result of a clerical error, Client may request in a writing delivered to ADP (a "Reinstatement Request") that ADP reinstate the Benefit Service. The Reinstatement Request shall be certified by an executive officer of Client and include a detailed description of the circumstances surrounding Client's failure to comply with the provisions of Section 3.1. If ADP agrees, in its

reasonable discretion, that Client failed to comply with the provisions of Section 3.1 because of a clerical error, ADP will reinstate Client's affected Benefit Service(s) at the earliest date reasonably possible.

6.3 Suspension of Services. ADP may suspend any or all of the Benefit Services to the extent ADP's provision of such Benefit Service or Benefit Services is in violation of any laws or regulations.

6.4 Termination Due to Noncompliance. In addition to the other termination rights set forth elsewhere in this Agreement, ADP may terminate this Annex K immediately upon written notice to the Client upon the failure of Client to maintain its Benefit Plan(s) in compliance with ERISA or other applicable laws or regulations.

SECTION 7 REGULATORY FEES.

In the event that the Client, Client's Benefit Plans or ADP is subjected to any form of governmental or regulatory fees or charges related to the Benefit Services provided by ADP under this Annex, such charges will be the responsibility of Client.

SECTION 8 CHANGE ITEMS.

8.1 Change Item Policy. If any change in the Benefit Services occurs, including, without limitation the items specified below (each, a "Change Item"), that requires ADP or the Client to devote resources, expend time or otherwise incur costs not contemplated by this Agreement as part of the Benefit Services, ADP will follow the change procedures specified in Section 8.2 prior to devoting such resources, expending such time or incurring such costs. Change Items include the following:

- (i) services requested or otherwise required to be provided in connection with the Benefit Services that are outside the original scope of the Benefit Services,
- (ii) services requested or otherwise required to be provided in connection with the Benefit Services resulting from changes to the magnitude of scope of the Benefit Services due to the discovery or disclosure of new information since such services were accepted, or due to incorrect information upon which such services were based,
- (iii) any change to a previously approved document or deliverable that is produced during the project,
- (iv) failure by a Client resource to maintain the agreed upon time commitment or schedule related to the Benefit Services,
- (v) failure by Client to provide an environment necessary to support the Benefit Services or the implementation of the Benefit Services (i.e., workspace, personal computers, printers, administrative support, etc.), or
- (vi) any Benefit Plan amendments.

8.2 Change Item Procedures. Upon the occurrence of a Change Item, ADP will deliver to the Client a notice (a "Change Item Notice") setting forth

(i) the details of the Change Item, (ii) an analysis of the impact of the Change Item on the Client's system, (iii) an estimate of the time, materials, and aggregate costs required to address the Change Item, and (iv) whether the Change Item is an optional item. Change Items may result in changes to expected or target completion dates. ADP will notify Client as soon as practicable of any changes to any such dates.

8.2.1 Required Change Items.

Required Change Items are identified by clauses (iv), (v) and (vi) of Section 8.1. If a Change Item is required, ADP will provide the additional resources as required on a time and materials basis and will proceed to provide the Benefit Services taking into consideration the Change Item.

8.2.2 Optional Change Items.

Optional Change Items are identified by clauses (i), (ii) and (iii) of Section 8.1. If the Change Item is optional, the Client will notify ADP within thirty Business Days of receipt of the Change Item Notice whether or not the Client authorizes ADP to proceed to provide the Benefit Services required by the Change Item. ADP will take no action on the Change Item until the earlier of the expiration of the thirty-Business-Day period or Client's authorization of the Change Item. If the Client denies authority to complete the Change Item, ADP will proceed to provide the Benefit Services without implementing the Change Item. If the Client does not respond to the Change Notice within such thirty-Business-Day period, the Change Item will be deemed unauthorized and ADP will proceed to provide the Benefit Services without implementing the Change Item. If the Client authorizes the Change Item within such thirty-Business-Day period, ADP will provide the additional resources as required on a time and materials basis and will proceed to provide the Benefit Services taking into consideration the Change Item.

SECTION 9 LICENSED ENTITY.

Notwithstanding the use in this Annex K of the word "ADP", in the event that ADP determines that all or a portion of the Benefit Services may be subject to licensing or other regulatory requirements, such services shall be performed solely by such wholly owned subsidiary of Automatic Data Processing, Inc. as shall be designated by ADP.

SECTION 10 STORED VALUE CARD SERVICES.

10.1 If Client elects to receive Stored Value Card Services ("Stored Value Card Services") as indicated on Annex Z, Client acknowledges and agrees that Client's receipt of such Services shall be subject to the additional terms and conditions of this Section 10.

10.2 Client and ADP hereby acknowledge and agree that the Stored Value Card Services shall refer to the use by Client's employees of an ADP Stored Value Card to obtain qualified fringe benefits under Client's benefit plan(s). The ADP Stored Value Cards may be referred to herein collectively as the "Cards" or each a "Card" and employees of Client who receive a Card may be referred to herein collectively as "Cardholders" or each a "Cardholder."

10.3 Additional Documents. ADP shall not be obligated to provide the Stored Value Card Services unless Client has executed and delivered to ADP the applicable documents, forms or instruments necessary for ADP to render to Client the Stored Value Card Services. Client will execute and deliver to ADP or the third party card service provider designated by ADP copies of the Automated Clearing House agreements ("ACH Agreements"), Authorization to Debit/Credit ("Debit Authorization"), and such other documents, forms or instruments necessary for ADP or the third party card service provider designated by ADP to render to Client the Stored Value Card Services. In addition, Client shall use the form of enrollment documents provided by ADP in connection with the Stored Value Card Services, or shall amend its enrollment forms with such language as may be required by ADP from time to time. All such agreements, documents and forms may be assigned by ADP in the event ADP elects to use a different Card issuer, originating bank or other related card or voucher vendor.

10.4 Issuance of Cards. Client shall be responsible for providing the required information regarding each participant that has elected to receive a Card. Client will provide the information in the manner prescribed by ADP. Upon receipt and processing of a participant's information and subject to the Card issuer's approval, the Card will be mailed to the participant, together with the terms and conditions for the use of the Card. All Cards issued to Cardholders are the property of the Card issuer and are subject to cancellation by the Card issuer at any time.

10.5 Cardholder Services. ADP will make available Cardholder services to Cardholders. Client will direct Cardholders to resolve all disputes regarding Card fees and charges and disputed charges on a Card with, and to report any lost or stolen Cards to, Cardholder services. Contact information for Cardholder services is located on the terms and conditions of use provided with each Card. Notwithstanding the foregoing, Client will be responsible for resolving all disputes by Cardholders regarding use of the Cards.

10.6 Remittance of Funds. In order to settle the amounts expended by Client's Cardholders pursuant to the Stored Value Card Services, ADP or the third-party service provider designated by ADP will initiate debits to Client's designated bank account (the "Client Account"). Such debits shall be initiated on a daily basis or on such other schedule as may be set forth in an ACH Agreement, Debit Authorization or as may be communicated to Client from time to time. Client shall receive notice via email prior to any such debit, and a settlement report from ADP detailing the amounts expended by Client's Cardholders within a reasonable period after such debit. Client covenants and agrees to have at all times sufficient good and available funds in the Client Account to satisfy all debits initiated in connection with the Stored Value Card Services. In the event the Client Account does not contain adequate funds to satisfy such debit, Client shall immediately wire to ADP or such third party card service provider designated by ADP the amount necessary to satisfy such debit and, in addition to any other remedies available to ADP, ADP shall charge, and Client shall pay, a reasonable nonsufficient funds ("NSF") charge for each NSF occurrence.

10.7 Recovery of Funds. Client agrees to cooperate with ADP and any other parties involved in processing the Card transactions to recover funds credited to or expended by Cardholders in error. Such cooperation may include withholding amounts from participant's wages, offsetting against subsequent valid expense claims under the plan, and/or invalidating Cardholder's card until the amount has been repaid.

10.8 Debits. Client shall be liable for each debit to the Client Account initiated by ADP or its designee hereunder in accordance with the terms of this Agreement or the Debit Authorization. Client unconditionally promises to pay to ADP any debit that is returned to ADP because of insufficient or uncollected funds or for any other reason, upon demand, together with interest thereon at the rate set forth in Section 3.3 of Annex A. Also, in the event that ADP attempts to recover funds in accordance with Section 10.6 above and ADP is not able to recover such funds for any reason, Client unconditionally promises to pay the amount of such insufficiency upon demand, together with interest thereon at the rate set forth in Section 3.3 of Annex A.

10.9 Termination of Stored Value Card Services. Either ADP or Client may terminate the Stored Value Card Services upon 90 days prior written notice to the other. In the event that ADP exercises its right to terminate under this section, ADP shall make reasonable efforts to offer Client a traditional flexible spending account and/or commuter benefits administration service and, if applicable, an alternative source of transit vouchers.

10.10 Additional Termination. If (i) Client defaults in the payment of any sum of money hereunder for a period of time exceeding thirty days, (ii) Client fails to comply with Section 10.6 above or otherwise provide sufficient, collected funds to ADP within a reasonable deadline established by ADP to satisfy Client's third party obligations which results in a loss or financial risk to ADP, (iii) Client defaults in the performance of any of its other obligations under this Section 10, (iv) Client has any material adverse change in its financial condition, (v) any unauthorized credits or debits are initiated in Client's name, (vi) the bank originating debit and credit instructions on ADP's behalf notifies ADP that it is no longer willing to originate debits or credits for any reason and after reasonable effort, ADP is unable to obtain another bank to provide such debits and credits, (vii) the ACH Agreement or Debit Authorization is terminated by Client, or (viii) the Card issuers cancel the Cards issued on behalf of Client; ADP may (a) immediately terminate the Stored Value Card Services, (b) declare all amounts due and to become due immediately due and payable and/or (c) require Client to prepay for future Card processing.

CP
11/3/09

ATTACHMENT 1

Carrier Enrollment Benefit Services. If Client receives carrier enrollment Benefit Services hereunder, ADP will on a monthly basis determine the premium amounts due from the Client to the Carriers. Premium payment disbursements to the Carriers are received by ADP via the following methods of payment: Fed wire; ACH transfer; or Client check. Such payments are deposited into an ADP zero balance account for processing and reconciliation by ADP. This account is maintained separately from ADP's operating accounts. Due to the nature of the ACH system, ADP generally receives use of the amounts disbursed to ADP via ACH transfer within two Business Days from the ACH impound date. Fed wire funds are made available to ADP immediately. Within 24 hours following receipt of premium amounts via ACH transfer or Fed wire, or as soon as confirmation is made that the Client's check has cleared, ADP remits to the Carriers the payment amounts made by the Client for the premiums then due. Such payments to Carriers are made by ADP either by check or by ACH transfer. Once disbursed by ADP, if payments are made to the Carriers by check, on average checks remain outstanding for fifteen days before being presented for payment. In some cases, if additional contractual arrangements have been made with the Client and with the Carrier, ADP may be entitled to an insurance commission, and ADP would then be authorized to deduct the commission from the Client premium payments being remitted to the Carrier.

Flexible Spending Account and Commuter Benefits Administration Benefit Services. As flexible spending account and commuter benefits claims are adjudicated by ADP, and ADP determines that a participant is entitled to reimbursement, ADP determines the aggregate amount to be paid as reimbursement to participants and obtains Client funds for such reimbursements. In the event that ADP provides Stored Value Card Services to Client, the provisions of Section 10.6 of Annex K shall apply. All such reimbursement amounts disbursed to ADP pending participant reimbursement are maintained in an account that is separate from ADP's operating accounts. Clients remit claim reimbursement payment amounts to ADP via Client-initiated Fed wire or ACH transfer, via ADP-initiated ACH transfer, or via Client check. Due to the nature of the ACH system, ADP generally receives use of the amounts disbursed to ADP via ACH transfer within two Business Days from the ACH impound date. Once Client checks clear the banking system, the payment amounts are made available to ADP. Fed wire funds are made available to ADP immediately. Immediately upon ADP's receipt of good funds from the Client, ADP makes disbursements in the amount of the applicable reimbursement to each participant. Participants receive such payments either by check or, if they and the Client have elected, by direct deposit. On average, checks remain outstanding for nine to twelve days before being presented for payment. In some cases, upon the Client's request and as a convenience to the Client, ADP holds a Client-determined amount on account in order to facilitate the prompt reimbursement of participant claims at the time of claim adjudication. ADP does not determine the amount to be held on account for the Client, and all such amounts may be withdrawn at any time by the Client.

Investment of Amounts Held. ADP invests such funds, pending disbursement or presentment for payment, in long and short term investments, such as money market funds, United States treasury obligations, United States government agency obligations, corporate notes, and other investments.

COB
11/13/09

ANNEX Z

Service and Fee Schedule

SECTION 1 THE CLIENT GROUP.

Augusta-Richmond County.

SECTION 2 ADDRESS OF ADP FOR NOTICES.

With Respect to Benefits Administration Services:

ADP, Inc.
2835 South Decker Lake Drive
Salt Lake City, Utah 84119
Attention: General Manager

With Respect to COBRA, FSA & Commuter Benefits Services:

ADP, Inc.
2575 Westside Parkway, Suite 500
Alpharetta, GA 30004
Attention: General Manager

SECTION 3 TERMINATION DATE.

This contract shall terminate absolutely and without further obligation on the part of Augusta-Richmond County at the close of the calendar year in which it was executed and at the close of each succeeding calendar year for which it may be renewed. However, this contract shall automatically renew for up to five (5) years unless positive action is taken by Augusta-Richmond County to terminate this contract.

SECTION 4 FEE CHANGES; TAXES.

The fees set forth on Annex Z will remain fixed for one (1) year following the Effective Date. Thereafter, ADP may modify the fees for the Services and will give Client at least 30 days prior written notice of any changes in such fees.

Client will pay directly, or will pay to ADP an amount equal to, all applicable taxes or similar fees levied or based on this Agreement or the Services provided hereunder, exclusive of taxes based on ADP's net income.

SECTION 5 PAYROLL SERVICES AND FEES.

None.

SECTION 6 TAX FILING SERVICES AND FEES.

None.

SECTION 7 ADP TAX SERVICES AND FEES.

None.

SECTION 8 ADP ENTERPRISE SERVICES AND FEES.

None.

SECTION 9 ADP ENTERPRISE SERVICES IMPLEMENTATION SERVICES AND FEES.

None.

SECTION 10 UCM SERVICES AND FEES.

None.

SECTION 11 PRINT SERVICES AND FEES.

None.

SECTION 12 ADPCHECK SERVICES AND FEES.

None.

SECTION 13 BENEFITS ADMINISTRATION SERVICES AND FEES.

13.1 Health & Welfare Administration Services

Health & Welfare Administration Fees

- Implementation Fees: Ninety-five thousand dollars and zero cents (\$95,000.00)
 - Implementation billing begins at commencement of the project. Billing for ongoing services will commence during the month that live data is loaded and processed. All other fees are invoiced monthly and will be based on the services provided.
- Ongoing Fees: An Ongoing Per Month Fee of seven dollars and seventy-three cents (\$7.73) per Eligible Employee
 - In the course of providing services, ADP may incur direct costs on behalf of the Client and will invoice the Client for such expenses. Billing for pass through expenses will occur monthly and will include no administration fee. Examples of pass-through items include, but are not limited to: outside vendor fees, printing charges, postage/shipping charges, and any other reasonably incurred client-related expenses.

Health & Welfare Administration Assumptions

Implementation

- Augusta-Richmond County will be utilizing the ADP administered health and welfare solution. Augusta-Richmond County will be guided through the implementation process and be required to provide the appropriate resources to support the implementation process.
- Implementation will utilize conference calls and web meetings. Face to face sessions are available for an additional fee.
- Augusta-Richmond County will go live with ongoing processing. Pricing assumes a single live date for all populations.
- Implementation continues for an estimated 18 - 20 weeks. (Additional complexity may extend the timeline beyond 18 weeks).
- ADP will convert current employee election and covered dependent data from a single source. Augusta-Richmond County will be responsible to provide conversion data in ADP's standard layout.
- Pricing assumes Augusta-Richmond County data is reasonably clean and standard services include importing of two (2) test conversion files throughout the course of the project.

Ongoing Services

- Assumes approximately 2,400 active Benefit Eligible employees and approximately 400 retirees.
- Assumes Complexity Level 1:
 - Up to nine (9) combinations of unique waiting periods and rates
 - Up to fifteen (15) benefit areas include: (Medical, Dental, Vision, RX, Basic EAP, Basic and Optional STD, Basic and Optional LTD, Basic Life, Supplemental Life, Spouse Life, Child Life, Basic and Optional AD&D, HC FSA, DC FSA, HSA and LPFSA, Parking, Transit Accounts, Option based Group Legal, Vacation Buy and Business Travel Accident).
 - Up to thirty-five (35) unique healthcare options (medical, dental, vision, Rx) across all benefit programs.
 - Up to three (3) unique pay calendars/schedules.
 - The same tier structure must be used for each option in a given benefit area.
- ADP will perform manage the following benefit processes on behalf of Augusta-Richmond County:
 - Generation and distribution of monthly dependent warning letter for those dependents becoming overage.
 - Process EOI approvals and denials on a monthly basis.
 - Process emergency enrollments with the carriers.
 - Perform monthly audit requesting proof of family status changes (assumes 25% of events will be audited).
 - ADP will manage QMCSO process (after Augusta-Richmond County's has interpreted and signed off on the order). Augusta-Richmond County will add an indicator to the employee record within HRMS. ADP will adjust coverage, generate a confirmation of election changes and track the court ordered dependent. Augusta-Richmond County will be responsible to communicate to the agency.

Employee Self Service

- ADP's benefits enrollment web self service module is included as part of the overall solution.
- Self service module will display the client's logo and colors across the top banner and client can determine text in designated areas. Pricing assumes text is the same for all populations.
- Web module is scripted in English and includes decision support tools (i.e. plan selection cost calculator, context sensitive help) and FSA modeling worksheets.
- Up to fifty (50) documents or forms will be displayed to all employees.
- Provide ability to enroll for coverage, manage dependents and manage beneficiary designations.
- Up to five (5) client administrators have administrator access for performing day to day benefits administration tasks.

Participant Support

- ADP will be responsible to provide participant support, including:
 - Participant support provided through ADP's Solution Center in a multi-team environment.
 - English Solution Center has a fixed, consecutive, ten (10) hour schedule between 8:00 a.m. and 8:00 p.m. Eastern Time.
 - Call center services may be provided to you from any one of a combination of our ADP locations within our global network of operations.
- ADP assumes two (2) calls per employee per year (inclusive of annual enrollment calls). If the number of calls and event activities is exceeded and this is not due to commensurate headcount changes, a review of performance standards and/or pricing will occur. Pricing adjustments will be based on a cost of eight dollars and ninety-five cents (\$8.95) per call and assume the same call and wrap-up time durations as noted above. Activity will be recorded monthly and assessed annually. The calculation will be based on an average of the eligible count on the first of each month. The average will be divided by the total number of calls at the

end of the year. Fees will be invoiced on actual volumes. If volume increases or decreases by ten percent (10%), rates may be adjusted accordingly upon mutual agreement by both parties in writing.

- In the course of providing call center services, ADP may incur direct telecom fees on behalf of the Client and will invoice the Client for such expenses with no administration fee.
- Supporting non-English speakers with Language Line (billed as a pass-through expense with no administration fee).

Ongoing Services - Retiree Administration

- ADP will administer a retiree population of approximately four hundred (400) retirees with four (4) retiree eligibility groups.

Ongoing Services – Communications

- E Mail notifications are provided to participant's for the following transactions:
 - Notification of opportunity to register for ADP self service and enroll.
 - Acknowledgement of enrollment change.
- Standard eligibility summaries/worksheets and election confirmation statements (are available electronically as PDF files via employee self service.
- ADP to print standard ADP worksheet and confirmation statements on behalf of the client.

Ongoing Services – Interfaces

- Weekly inbound census data from the client's single HRMS solution, in ADP's standard layout. Augusta-Richmond County will provide the data electronically on a weekly scheduled basis.
- Scheduled processing of outbound payroll data to Client's single HRMS solution. ADP will support deduction calculations for up to four (4) unique pay calendars/schedules. This interface will be run and managed by the ADP hosting center.
- Weekly processing of up to four (4) plan provider/carrier electronic eligibility interfaces in the EDI/834 standard format for the active population. Pricing assumes a single health care account/policy/group number per option per program. ADP will be responsible to work directly with the carriers to resolve reconciliation issues.
- Up to twenty (20) standard carrier add/drop/change reports will be produced for those carriers who will not accept an electronic file. ADP will send all reports to the vendors.
- Weekly file/reporting to a third party COBRA vendor as required.
- Weekly file/reporting to ADP's FSA Service as required.

Reporting

- Up to five (5) client representatives have web access to view standard reports containing health and welfare data, including historical records of elections and transactions.
- Up to five (5) client administrators have web access for ad hoc report writing functionality using ADP Reporting.

Client Training and Support

- Up to five (5) client administrators attend each session of web-based online, self-paced training and live, instructor-lead training sessions.
- A single client administrator will have access to ADP's web-based iSI security administration training
- Up to five (5) client HR/Benefits day to day contacts (email or phone) into the ADP client service center.
- Client support is provided via phone and email between the hours of 8:00 am- 5:00 pm MT.

Annual Enrollment and Rollover

- ADP will support up to two annual enrollment windows per calendar year.
- All annual enrollments are assumed to be passive.
- Augusta-Richmond County will provide ADP with required plan, rate and eligibility changes a minimum of 8 weeks prior to the enrollment period.
- ADP's annual enrollment services include:
 - Enrollment period definition
 - Employee and employer prices/rates, premiums, ASO and stop loss fees
 - Zip code and state code tables from current carriers
 - Payroll schedules
 - Annual enrollment ESS/participant communication messages
- Any changes outside the above list (such as changes to current benefit areas, options, carriers, additional or deletions of pay schedules and eligibility rules) will be treated as a scope change each year. ADP will provide the client a cost estimate prior to each annual enrollment period.

13.2 Flexible Spending Account Services and Fees:

FSA Pricing and Start Date

- Start Date: Provided this contract is renewed for the year of 2011, FSA services shall begin on January 1, 2011. Unless this agreement is modified by the parties, FSA Services shall not be a part of this contract for 2010.
- Implementation Fees: Included with H&W pricing
 - Implementation billing begins at commencement of the project. Billing for ongoing services will commence during the month that live data is loaded and processed. All other fees are invoiced monthly and will be based on the services provided.
- Ongoing Fees: Four dollars and seventy cents (\$4.70) per participant per month with a monthly minimum of one hundred and sixty dollars and zero cents (\$160.00) with an estimated ninety-five (95) participant per month.
 - In the course of providing services, ADP may incur direct costs on behalf of the Client and will invoice the Client for such expenses. Billing for pass through expenses will occur monthly and will include no administration fee. Examples of pass-through items include, but are not limited to: outside vendor fees, printing charges, postage/shipping charges, and any other reasonably incurred client-related expenses.
 - One dollar and eighty-five cents (\$1.85) per standard prepaid card issued (including card, agreement, and instruction primer).

Rollover Fees

- FSA Administration Renewal Fees is a base of one thousand, one hundred dollars and zero cents (\$1,100.00).
 - a. Where FSA services are not renewed for the upcoming plan year, services provided by ADP in relation to run-out claims for the previous plan year shall be charged at the monthly participant fee in effect at the time of services termination. The monthly participant fee shall be paid for the entire run-out period regardless of any participant's balance (positive, negative or zero).

FSA Assumptions

Implementation

- ADP assumes a ninety (90) day implementation.
- Health care and Dependent Care plan set-up.
- Client provides ADP with current FSA elections and prior balances (if applicable) in a single file in ADP's required format.
- Plan procurement template – initial and ongoing maintenance of the plan document is the responsibility of the client.
- Employee enrollment materials shipped to one location.
- As resources allow, one individual to attend one onsite benefits fair meeting (providing the client pays travel and expense).

Ongoing Services – Interfaces

- Weekly processing of an electronic inbound census file from one ADP PC/Payroll Systems or Enterprise/CSS HRizon system(s) or ADP's standard layout.

Ongoing Services

- Services includes: processing, adjudication, and direct deposit reimbursements.
- All plan limits are the same for all populations.
- Prepaid Card substations and follow-up documentation if necessary.
- Funding of reimbursements - daily transaction report provided to client - ADP has direct-debit access to one client-owned account.
- Annual Grace Period processing.

Ongoing Services – Communications

- Standard processing claim forms to one client location.
- Prepaid card fulfillment – if applicable (card expires after three years).

Web / IVR / Call Center Support

- English web and IVR - unlimited client administrator and participant access.
- Participant support provided through ADP's Solution Center in a multi-team environment.
- English Solution Center available for continuants for a 12-hour window (Monday – Friday except holidays) between 8:00 a.m. and 8:00 p.m. Eastern Time. Call center services may be provided to you from any one of a combination of our ADP locations within our global network of operations.

Reporting

- Standard reports will be posted to the web application based on the report frequency; hard copy FSA reports will be sent to a single client location each month.
- Reports include: Summary Account Statement, Miscellaneous Adjustments, Stale Dated Checks, and Daily Transactions.
- Nondiscrimination pass/fail test within the current plan year assuming client provides preliminary data for ADP to perform calculations and results.

Annual Rollover

- The new plan year includes the same number of plans, plan rules, payroll schedules as the current year. The client submits the new plan year design data via a clean, ADP format ten (10) weeks prior to annual enrollment. Any plan or rate information submitted after the mutually agreed upon schedule will result in additional fees which would be captured via our scope change process and based upon mutual agreement by both parties in writing.
- Where FSA services are not renewed for the upcoming plan year, services provided by ADP in relation to run-out claims for the previous plan year shall be charged at the monthly participant fee in effect at the time of services termination. The monthly participant fee shall be paid for the entire run-out period regardless of any participant's balance (positive, negative or zero).
- **IN WITNESS WHEREOF**, ADP and Augusta Richmond County have executed this Agreement to be effective as of the Effective Date set forth above.

ADP, INC.	Augusta Richmond County
(Signature of Authorized Representative)	(Signature of Authorized Representative)
(Name - Please Print)	(Name - Please Print)
(Title)	(Title)
(Date)	(Date)

OK
11/3/09

Request for Proposals

Request for Proposals will be received at this office until Thursday, August 6, 2009 @ 3:00 p.m. for furnishing:

RFP Item 09-129A Human Resources Information System for Information Technology Department

Proposals will be received by Augusta, GA Commission hereinafter referred to as the OWNER at the offices of:

Gerri A. Sams
Procurement Department
530 Greene Street - Room 605
Augusta, Georgia 30901
706-821-2422

RFP documents may be obtained at the office of Augusta, GA Procurement Department, 530 Greene Street – Room 605, Augusta, GA 30901. **All questions must be submitted in writing to the office of the Procurement Department by fax at 706-821-2811 or by mail.** No RFP will be accepted by fax, all must be received by mail or hand delivered.

The local bidder preference program is applicable to this project. To be approved as a local bidder and receive bid preference on an eligible local project, this certificate and a copy of your local business license must be submitted with your bonafide bid package.

No RFP may be withdrawn for a period of **120** days after time has been called on the date of opening.

An invitation for bids shall be issued by the Procurement Office and shall include specifications prepared in accordance with Article 4 (Product Specifications), and all contractual terms and conditions, applicable to the procurement. All specific requirements contained in the invitation to bid including, but not limited to, the number of copies needed, the timing of the submission, the required financial data, and any other requirements designated by the Procurement Department are considered material conditions of the bid which are not waiveable or modifiable by the Procurement Director. Please mark RFP number on the outside of the envelope.

Bidders are cautioned that sequestration of RFP documents through any source other than the office of the Procurement Department is not advisable. Acquisition of RFP documents from unauthorized sources placed the bidder at the risk of receiving incomplete or inaccurate information upon which to base his qualifications.

GERI A. SAMS, Procurement Director

cc: Tameka Allen Information Technology
 Michael Blanchard Information Technology
 Roderick Powell Human Resources

RFP Item #09-129A Human Resources Information System For the City of Augusta - Information Technology Department RFP Opening Date: Thursday, August 6, 2009 at 3:00 p.m.					
Vendors:	ADP 5800 Windward Pkwy Alpharetta, GA 30005	Kronos 17 Dapple Gray Court Simpsonville, SC 29680			
Statement of Non-Discrimination	YES	YES			
Conflict of Interest	YES	YES			
RFP Form	YES	YES			
Contractor Affidavit & Agreement	YES	YES			
Subcontractor Affidavit & Agreement	YES	YES			
Non-Collusion Affidavit of Bidder	YES	YES			
Non-Collusion Affidavit Subcontractor	YES	YES			
Local Small Business Good Faith Efforts	YES	YES			
Local Small Business Subcontractor/Supplier Utilization Plan	YES	YES			
Addendum	YES	YES			
Original	YES	YES			
Six (6) Copies	YES	YES			
Fee Proposal	YES	YES			

**Cumulative Evaluation Sheet for RFP Item #09-129A
Human Resources Information System
For the City of Augusta - Information Technology Department**

Evaluation Criteria	ADP 5800 Windward Pkwy Alpharetta, GA 30005	Kronos 17 Dapple Gray Court Simpsonville, SC 29680
Ability to satisfy Software/Service Requirements Maximum points 30	29	23.75
Public Sector HR Experience Maximum points 20	20	16.5
Apparent User-Friendliness of the Solution Maximum points 20	20	18.25
Customer Service/Support Structure Maximum points 20	19.5	15.5
Firm Stability Maximum points 10	10	10
Total Score (Maximum 100)	98.5	84

Comments:



HUMAN RESOURCES DEPARTMENT

Rod Powell
Director

MEMORANDUM

TO: Ms. Geri Sams, Procurement Director

FROM: Robby Burns, Human Resource Manager *RBB*

RE: Recommendation for Bid Item 09-129A

DATE: Monday, October 12, 2009

The Human Resources Department will recommend to the Augusta Commission that award of Bid Item 09-129A , Human Resource information System to ADP. Proposals were submitted by ADP and Kronos. ADP has the systems and processes in place to better fulfill the needs of the Human Resource Department at this time.

After the negotiation process we feel that we were able to negotiate the price to a level that is acceptable. The pricing information is attached. It is our goal of the Human Resources Department to have this item on the October 26, 2009 Administrative Services.

Give me a call if you have any questions or need any additional information.

cc: Roderick Powell, HR Director
Nancy Williams, Procurement

Augusta Human Resources Department
530 Greene Street
Room 601 – Municipal Building
(706) 821-2303 (706) 821-2867 FAX
Job Line: 821 -2305
WWW.AUGUSTAGA.GOV

User: Mills, Phyllis Organization: City of Augusta, GA (Augusta Commission)

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Planholders List

Member Name City of Augusta, GA (Augusta Commission)

Bid Number RFP-09-129A-0-2009/PJM

Bid Name Human Resources Information System

1 Document(s) found for this bid

12 Planholder(s) found.

[Add Planholder](#)

Supplier Name ▲	Phone	Fax	Doc Count	Attributes	Programs	Actions
ADP	7816223314	7816223314	1			Documents
AMX International	2085233671	2085233683	1	1. Small Business		Documents
CIBER	6154639131	6154639131	1			Documents
Evergreen Solutions	8503830111	8503830111	1			Documents
Heuristics Informatics Pvt Ltd	7573769536	7036524725	1			Documents
ImageTrend, Inc.	9524691589	9529855671	1			Documents
Information Access Systems, Inc	4078391477	4078391927	1	1. Small Business		Documents
LGCNS	2015354391	2015354391	1			Documents
SOUTHERN COMPUTER WAREHOUSE, INC.	7705798927	7705798937	1	1. Small Business		Documents
Sungard Public Sector	4073043235	1111111111	1			Documents

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User: Mills, Phyllis

Organization:

City of Augusta, GA (Augusta Commission)

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Planholders List

Member Name City of Augusta, GA (Augusta Commission)

Bid Number RFP-09-129A-0-2009/PJM

Bid Name Human Resources Information System

1 Document(s) found for this bid

12 Planholder(s) found.

[Add Planholder](#)

Supplier Name 	Phone	Fax	Doc Count	Attributes	Programs	Actions
TekVisions, Inc.	8886824840	9515064035	1			Documents
Wyvil Systems Inc	6304306305	6303558466	1	1. Woman Owned		Documents

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ADP
ATTN MARTY FRANKLIN
5800 WINDWARD PKWY MS-A415
ALPHARETTA GA 30005

ADP NAS
ATTN JAMES SCHMITT
5800 WINDWARD PKWY MS-A415
ALPHARETTA GA 30005

AST CORPORATION
ATTN KARL HAEFFS
10920 DONAMER DRIVE
ALPHARETTA GA 30022

KRONOS
ATTN RYAN HAMMAND
17 DAPPLE GRAY COURT
SIMPSONVILLE SC 29680

KRONOS INC
297 BILLERICA ROAD
CHELMSFORD MA 01824

DENOVO VENTURES LLC
ATTN DAWN LAWSON
357 S MCCASLIN BLVD
LOUISVILLE CO 80027

COLONIAL LIFE
ATTN LESLIE GRADDICK
41 PARK COMMERCE WAY STE 108
SAVANNAH GA 31405

SAWTST LLC
ATTN RONALD SAXTON
150 HOWELL ROAD STE C
TYRONE GA 30290

HR LOGISTICS LLC
ATTN KRISTIE EVANS
4501 NEW BERN AVE STE 130-308
RALEIGH NC 27610

COLIBRI
ATTN DONNA LUNDY
419 E CROSSVILLE RD STE 102
ROSWELL GA 30075

VEGA FERRER ACEVEDO
ATTN LUIS FERRER
5201 BLUE LAGOON DR STE 800
MIAMI FL 33126

HIGH LINE CORPORATION
ATTN SHANNON MILLER
145 RENFREW DR STE 210
MARKHAM ON
CANADA L3R 9R6

AT&T
ATTN DEBBIE BRYD
3626 WALTON WAY EXT STE 1
AUGUSTA GA 30909

MANGROVE EMPLOYER SERVICES
ATTN DAVID FEARNOW
1501 S CHURCH AVENUE
TAMPA FL 33629

ORACLE CO
ATTN SHARLANE CLEARE
1910 ORACLE WAY
RESTON VA 20190

ENRICH IT INC
ATTN AJAY MANGLANI
100 N POINT CENTRE E STE 320
ALPHARETTA GA 30022

SOUTHERN TECHNOLOGY GROUP
ATTN ROBERT MCCOY
3307 BOB WALLACE AVE STE 2
HUNTSVILLE AL 35805

YVONNE GENTRY
DBE OFFICE
500 BUILDING

ROD POWELL
HUMAN RESOURCES DEPT

MICHAEL BLANCHARD
INFORMATION TECHNOLOGY DEPT

RFP Item #09-129A
Human Resources Information System
Information Technology Department
RFP Open: Thu 8/6/09 @ 3:00 p.m.

FYI: Process Regarding Request for Proposals and Request for Qualifications

§ 1-10-43

AUGUSTA-RICHMOND COUNTY CODE, READOPTED 7-10-2007

- (3) The character, integrity, reputation, judgment, experience, and efficiency of the bidder,
- (4) The quality of performance on previous contracts,
- (5) The previous and existing compliance by the bidder with laws and ordinances relating to the contract or services,
- (6) The sufficiency of the financial resources of the bidder relating to his ability to perform the contract,
- (7) The quality, availability, and adaptability of the supplies or services to the particular use required, and
- (8) The number and scope of conditions attached to the bid by the bidder.

(j) *Award to other than low bidder.* When the award is not given to the lowest bidder, a full and complete statement of the reasons for placing the purchase order or other contract elsewhere shall be prepared and signed by the Procurement Director and/or Administrator and made part of the record file for audit proposes.

(Ord. No. 6939, § 16, 1-2-07)

Sec. 1-10-44. Request for proposals.

Request for proposals shall be handled in the same manner as the bid process as described above for solicitation and awarding of contracts for goods or services with the following exceptions:

- (a) Only the names of the vendors making offers shall be disclosed at the proposal opening.
- (b) Content of the proposals submitted by competing persons shall not be disclosed during the process of the negotiations.
- (c) Proposals shall be open for public inspection after the award is made.
- (d) Proprietary or confidential information, marked as such in each proposal, shall not be disclosed without the written consent of the offeror.
- (e) Discussions may be conducted with responsible persons submitting a proposal

determined to have a reasonable chance of being selected for the award. These discussions will only be for the purpose of clarification to assure a full understanding of the solicitation requirement and responsiveness thereto.

- (f) Nonmonetary revisions may be permitted after submissions and prior to award for the purpose of obtaining the best and final offers.
- (g) In conducting discussions with the persons submitting the proposals, there shall be no disclosure of any information derived from the other persons submitting proposals.

Sec. 1-10-45. Sealed proposals.

(a) *Conditions for use.* The competitive sealed proposals method may be utilized when the Augusta-Richmond County Administrator approves the written justification of the Procurement Director or using agency head that the sealed bid method is not in the best interest of Augusta-Richmond County. Generally, this method may be used when competitive sealed bidding (involving the preparation of detailed and specific specifications) is either not practicable or not advantageous to Augusta-Richmond County. In the case of procurement computer software, for example, it is in the best interest of Augusta-Richmond County to specify functional requirements and outputs, and allow the bidders to propose based on the closest available product(s) and software or software development services meeting our needs.

(b) *Request for proposals.* Competitive sealed proposals shall be solicited through a request for proposals (RFP).

(c) *Public notice.* Adequate public notice of the request for proposals shall be given in the same manner as provided in section 1-10-43(c)(Public Notice and Bidder's List); provided the normal period of time between notice and receipt of proposals minimally shall be fifteen (15) calendar days.

(d) *Pre-proposal conference.* A pre-proposal conference is not required but recommended for purposes of expounding on the requirements and

FYI: Process Regarding Request for Proposals
and Request for Qualifications

GENERAL GOVERNMENT

§ 1-10-46

soliciting vendor/contractor input. Such conferences should be scheduled at least five (5) days prior to the date set for receipt of proposals, and notice shall be handled in a manner similar to section 1-10-44(c)-Public Notice and Bidder's List.

(e) *Receipt of proposals.* Proposals will be received at the time and place designated in the request for proposals, complete with bidder qualification and technical information. Price information shall be separated from the proposal in a sealed envelope and opened only after the proposals have been reviewed and ranked.

The names of the respondents will be identified at the proposal opening; however, no proposal will be handled so as to permit disclosure of the detailed contents of the response until after award of contract. A record of all responses shall be prepared and maintained for the files and audit purposes.

(f) *Public inspection.* The responses will be open for public inspection only after contract award. Proprietary or confidential information marked as such in each proposal will not be disclosed without written consent of the offeror.

(g) *Evaluation and selection.* The request for proposals shall state the relative importance of price and other evaluation factors that will be used in the context of proposal evaluation and contract award. (Pricing proposals will not be opened until the proposals have been reviewed and ranked).

- (1) Selection committee. A selection committee, minimally consisting of representatives of the procurement office, the using agency, and the Administrator's office or their choice shall convene for the purpose of evaluating the proposals.
- (2) Preliminary negotiations. Discussions with the offerors and technical revisions to the proposals may occur. Discussions may be conducted with the responsible offerors who submit proposals for the purpose of clarification and to assure full understanding of, and conformance to, the solicitation requirements. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussions

and revision of proposals and such revisions may be permitted after submission and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of information derived from proposals submitted by competing offerors.

(h) *Final negotiations and letting the contract.* The Committee shall rank the technical proposals, open and consider the pricing proposals submitted by each offeror, and request final and best offers from the top ranked three firms if available. Award shall be made or recommended for award through the Augusta-Richmond County Administrator, to the responsible offeror whose proposal is determined to be the most advantageous to Augusta-Richmond County, taking into consideration price and the evaluation factors set forth in the request for proposals. No other factors or criteria shall be used in the evaluation. The contract file shall contain a written report of the basis on which the award is made/recommended. The contract shall be awarded or let in accordance with the procedures set forth in this Section and Article 10, section 1-10-71 of this chapter. (Ord. No. 6939, § 16, 1-2-07)

Sec. 1-10-46. Authority to contract for special services.

As used in this section, special services are those professional services, such as those provided by physicians, architects, ministers, engineers, accountants and attorneys, which are normally obtained on a fee basis. In the procuring of professional services those departments which normally utilize such services may contract on their behalf for such service in accordance with this article provided that the following requirements are met:

- (a) The department must solicit the best possible contract with the person providing the professional service.
- (b) Negotiation with the person providing professional services shall include the department head and the Augusta-Richmond County Administrator.
- (c) The department shall obtain the approval of the Commission.

T1:147



**Administrative Services Committee Meeting
11/23/2009 12:35 PM
Municipal Option Sales Tax**

Department: Clerk of Commission

Caption: Discuss proposed Municipal Option Sales Tax (MOST). (Requested by Commissioners Grantham and Hatney)

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

**Funds are Available in
the Following
Accounts:**

REVIEWED AND APPROVED BY:

Clerk of Commission
