

**CONTRACT FOR  
WATER BILLING AND PAYMENT PROCESSING SERVICES  
BETWEEN THE CITY OF WESTMINSTER  
AND THE  
COUNTY OF ORANGE**

THIS CONTRACT is made and entered into as of the date fully executed by and between the CITY OF WESTMINSTER, hereinafter referred to as “CITY”, and the COUNTY OF ORANGE, a political subdivision of the State of California, hereinafter referred to as “COUNTY”.

WITNESSETH:

WHEREAS, County, through the Treasurer-Tax Collector (hereinafter referred to as “TTC”), maintains and operates remittance processing equipment; and

WHEREAS, CITY is responsible for billing and processing payments for water usage within its jurisdiction and therefore, wishes to contract with COUNTY for billing and payment processing services; and

WHEREAS, COUNTY is agreeable to the rendering of such services, as authorized in Government Code Section 51301, on the terms and conditions hereinafter set forth,

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

**1. TERM**

This Contract shall commence on May 1, 2023 through April 30, 2028, unless terminated by either party or extended in the manner set forth herein.

**2. PURPOSE**

A. The purpose of this Contract is to provide water billing and payment processing services (hereinafter “Services”) to the CITY and for the CITY to pay for the cost of the services provided by COUNTY.

B. Nothing in this Contract shall be interpreted to give the CITY a right to services from COUNTY. COUNTY expressly retains all rights and powers to direct, manage, maintain, train, employ, equip, operate and control all equipment, facilities, properties and personnel in providing Services to CITY pursuant to this Contract.

**3. COUNTY PROVIDED SERVICES**

A. COUNTY, through its TTC, officers and employees, shall render to CITY the Services as hereinafter provided.

B. The TTC will receive the incoming mailed payments at an established post office box in Santa Ana, CA designated for non-property tax payments. TTC staff will sort and open

the mail, process the payments through the TTC's remittance processing equipment and send a deposit file electronically to CITY's designated bank account. At the end of each day, the TTC will provide a data file and associated reports containing all the necessary payment information to CITY to update their records. In addition, images of the front and back of all payment coupons and checks will be provided to the CITY.

- C. TTC has a Contract with a third-party vendor to provide printing and mailing services on behalf of the TTC (hereinafter "Vendor"). TTC will utilize the Vendor to process, print and mail invoices on behalf of CITY. The TTC will work directly with Vendor to design CITY's water bill to meet the specifications of the TTC's remittance processing equipment. The COUNTY has sole discretion to substitute the vendor that it will utilize to provide printing and mailing services to the CITY.

#### **4. CITY DUTIES**

- A. CITY is responsible for providing all necessary data in an agreed upon format to Vendor for generating invoices. Vendor will create PDF images of the invoices and present them to CITY for approval. It is essential for the CITY to provide approval on a timely basis so that the invoices can be mailed. If approval is not given within a reasonable time, the invoices will not be mailed by TTC.
- B. CITY will provide feedback information to the TTC regarding any problems or issues with the billing or payment processes in order to ensure satisfactory services are being provided.

#### **5. COMPENSATION**

- A. Pursuant to Government Code Section 51350, CITY agrees to pay to COUNTY the full costs of performing the Services mutually agreed upon in this Contract. The costs of the Services include salaries, wages, benefits, mileage, services, supplies, equipment, and divisional, departmental and COUNTY General overhead incurred in connection with this Contract.
- B. All direct and indirect costs associated with processing, printing and mailing invoices and payment processing will be monitored and charged by the TTC. Direct costs charged by TTC's third-party vendors for printing and mailing including the onetime set up of services will be charged to CITY with details provided upon request to CITY.
- C. The TTC will charge CITY the actual cost for processing mailed payments either determined by a per item rate or by direct billing. The cost is calculated based on expected labor expenses and includes indirect costs incurred in connection with this Contract. All costs will be reviewed annually by TTC to determine whether any adjustments should be made to enable TTC to recover costs associated with providing services to CITY. Any changes to the costs associated with this Contract will be agreed upon by both parties and reflected by written amendment to this Contract.
- D. Total contract amount shall not exceed \$127,500 annually, this price consists of printing and mailing costs of \$95,000 and payment processing costs of \$32,500.

- E. TTC will provide CITY with a monthly service statement detailing the services provided and the costs of such services. CITY shall notify TTC within ten (10) days of receipt of the monthly statement of any disputed charges.
- F. CITY shall pay COUNTY in accordance with COUNTY Board of Supervisors' approved County Billing Policy. CITY acknowledges that TTC has provided a copy of the approved County Billing Policy. TTC will provide CITY with updates to the County Billing Policy as they are made.
- G. COUNTY shall charge CITY late payment penalties in accordance with County Billing Policy as it may be amended from time to time.

**6. TERMINATION**

In addition to any other remedies or rights it may have by law, COUNTY has the right to immediately terminate this Contract without penalty for cause. Cause shall be defined as any material breach of Contract, any misrepresentation or fraud on the party of the CITY. COUNTY or CITY may terminate this Contract, without cause, upon ninety (90) days written notice to the other party. Exercise by COUNTY of its right to terminate the Contract shall relieve COUNTY of all further obligation.

**7. AMENDMENTS**

This Contract fully expresses all understanding of CITY and COUNTY with respect to the subject matter of this Contract and shall constitute the total Contract between the parties for these purposes. All preliminary negotiations and Contracts of whatever kind or nature are merged herein. No verbal Contract or implied covenant shall be held to vary the provisions herein. This Contract may be modified or amended only by a written document executed by both COUNTY and CITY.

**8. NOTICES**

- A. All notices authorized or required by this Contract shall be effective when written and deposited in the United States mail, first class postage prepaid and addressed as follows:

CITY:           ATTN: Erin Backs  
                  Finance Director  
                  8200 Westminster Blvd.  
                  Westminster, CA 92683

COUNTY:       County of Orange  
                  Attn: Purchasing  
                  P.O. Box 4515  
                  Santa Ana, CA 92702-4515

- B. Termination notices shall be effective when written and deposited in the United States mail, certified, return receipt requested and addressed as above.

**9. STATUS OF COUNTY**

COUNTY is, and at all times shall be deemed to be, an independent contractor. Nothing herein contained shall be construed as creating the relationship of employer and employee, or principal and agent, between CITY and COUNTY or any of COUNTY's agents or employees. COUNTY and TTC shall retain all authority for rendition of services, standards of performance, control of personnel, and other matters incident to the performance of services by COUNTY pursuant to this Contract. COUNTY, its agents and employees shall not be entitled to any rights or privileges of CITY employees and shall not be considered in any manner to be CITY employees.

**10. STATE AUDIT**

Pursuant to Government Code Section 8546.7, CITY and COUNTY shall be subject to examination and audit by the State Auditor for a period of three (3) years after final payment by CITY to COUNTY under this Contract. CITY and COUNTY shall retain all records relating to the performance of this Contract for said three-year period, except that those records pertaining to any audit then in progress, or to any claim or litigation, shall be retained beyond said three-year period, until final resolution of said audit, claim or litigation.

**11. INDEMNIFICATION**

- A. CITY agrees that COUNTY shall be fully protected from any loss, injury, damage, claim, lawsuit, cost or expense arising out of, or in any way related, to the performance of services pursuant to this Contract. Accordingly, the provisions of this Contract should be construed and interpreted to provide the fullest possible protection to COUNTY.
- B. To the fullest extent permitted by law, CITY shall defend at its expense including attorney's fees and with counsel approved in writing by COUNTY, indemnify and hold harmless COUNTY and its elected and appointed officials, officers, agents, employees, subcontractors and independent contractors (collectively, the "Indemnified Parties") from and against any and all claims (including, without limitation, claims for bodily injury, death or damage to property), demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including, without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever (individually, a "Claim"; collectively, "Claims"), which may arise from or in any manner relate directly or indirectly to any services provided under this Contract including, but not limited to, activities that relate in any way to this Contract including the negligent and/or willful acts, errors, and/or omissions of CITY, its elected and appointed officials, officers, agents, employees, subcontractors or independent contractors. Notwithstanding the foregoing, nothing herein shall be construed to require CITY to indemnify the Indemnified Parties from any Claim arising from the sole negligence or willful misconduct of the Indemnified Parties. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable.
- C. COUNTY shall defend at its expense including attorney's fees and with counsel approved in writing by CITY, indemnify and hold harmless CITY and its elected officials, agents and employees with respect to any claim, loss, liability, damage, lawsuit, cost or expense that arises out of, or is in any way related, to the sole negligence or willful misconduct by

COUNTY, its elected and appointed officials, officers, agents, employees, subcontractors or independent contractors.

- D. If judgment is entered against CITY and COUNTY by a court of competent jurisdiction because of the concurrent active negligence of either party, CITY and COUNTY agree that liability will be apportioned as determined by the court. Neither party shall request a jury apportionment.

**12. MISCELLANEOUS PROVISIONS**

- A. Each party to this Contract shall immediately notify the other of any litigation or claims that is asserted by or against either party regarding this Contract.
- B. The laws of the State of California shall govern this Contract and all matters relating to it and any action brought relating to this Contract shall be adjudicated in a court of competent jurisdiction in the County of Orange.
- C. The terms of this Contract shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of the Contract or any rule of construction which might otherwise apply.
- D. A waiver by either party of any breach, of any term, covenant or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein, whether of the same or a different character.

IN WITNESS WHEREOF, the parties have executed the CONTRACT in the County of Orange, State of California.

**CITY OF WESTMINSTER:**

\_\_\_\_\_  
Christine Cordon, City Manager  
City of Westminster

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

**ATTEST:**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Ashton R. Arocho, MMC, City Clerk

\_\_\_\_\_  
Christian L. Bettenhausen  
City Attorney

**RECOMMENDED FOR APPROVAL:**

\_\_\_\_\_  
Christine Cordon/City Manager

\*\*\*\*\*

**COUNTY OF ORANGE**

\_\_\_\_\_  
Shari L. Freidenrich, CPA  
Treasurer-Tax Collector

\_\_\_\_\_  
Date

**APPROVED AS TO FORM:**

Office of the County Counsel

Orange County, California

DocuSigned by:

*Ronnie Magsaysay*

4/19/2024

\_\_\_\_\_  
Ronald T. Magsaysay, Deputy

\_\_\_\_\_  
Date