

Utility Billing Production Agreement

Third Millennium Associates, Inc. and the Village of Carpentersville

This agreement, which is of three years duration, will automatically renew after the original three-year period and annually thereafter unless either party provides to the other party written notice of cancellation at least 120 days prior to the agreement anniversary. The minimum renewal or extension will be 1 (one) year. This production agreement, which is entered into this 4 day of November 2014 by and between Third Millennium Associates, Inc. (hereinafter referred to as "TMA") and the Village of Carpentersville, (hereinafter referred to as "VILLAGE"). For consideration of payment, TMA will provide to VILLAGE, Information technology services, laser imaging and mailing services for the purpose of rendering Utility billing invoices and other items as detailed on the attached Schedule "A".

1. Pre-agreement Confidentiality

Confidentiality and non-disclosure are defined by mutual agreement between TMA and VILLAGE per the attached agreement document dated and signed on the 4 day of November, 2014 by TMA and VILLAGE. Also refer to paragraph 10 of this agreement.

2. Pricing Structure

The prices on which products and services will be provided by TMA to VILLAGE are set forth on the attached Schedule B.

3. Postage Cost

Postage costs are not included in the attached listed prices and will be paid by VILLAGE directly to the USPS via C.A.P.S. (Centralized Account Processing System). The Village will be required to open and maintain a C.A.P.S. account. TMA will provide the 3602 document for VILLAGE review, with the monthly postage required for VILLAGE Utility bills and / or other TMA imaged mailing on behalf of VILLAGE. VILLAGE will pay the estimated monthly postage directly to the USPS, via the C.A.P.S. system. The USPS will report directly to VILLAGE all amounts charged to the VILLAGE postal account. In addition, TMA will open a first class Pre-Sort Permit on the VILLAGE's behalf, the cost of which will be billed to VILLAGE via Invoice.

4. Payment Terms

Products and services provided by TMA shall be cumulatively billed on a monthly basis. The TMA Invoice format shall detail each individual mailing and the dates of the provided service. All correctly rendered TMA monthly invoices shall be paid by VILLAGE in accordance with the Illinois Prompt Payment Act.

Each payment by VILLAGE to TMA includes all applicable federal, state, and Village taxes of every kind and nature applicable to the services as well as all taxes, contributions, and premiums for unemployment insurance, old age or retirement benefits, pensions, annuities, or similar benefits and all costs, royalties, and fees arising from the use of, or the incorporation into, the services, of patented or copyrighted equipment, materials, supplies, tools, appliances, devices, processes, or inventions. All

claim or right to claim additional compensation by reason of the payment of any such tax, contribution, premium, costs, royalties, or fees is hereby waived and released by TMA.

5. TMA Quality Commitment

TMA guarantees that it will maintain consistent standards of quality workmanship and warrants the accurate and timely processing, printing and mailing of the document as outlined in paragraph seven (7) and that its products and services will be free from defect in materials and workmanship. TMA does not warrant that the document contents are fit, legally or otherwise, for their intended purpose or use.

6. Limits of Liability

TMA agrees to use all reasonable efforts to provide timely services, but will not be held liable for errors of omission resulting from inaccuracies or defects in any VILLAGE billing data file, or for errors, omissions or delays resulting from improper input and output data controls and procedures used by VILLAGE or given to TMA by VILLAGE.

TMA shall not be held responsible for any loss or delay or any default caused by acts of God or any other circumstances outside TMA's control which includes but is not limited to fire, flood, or labor from usual sources of supply, government restrictions, or electrical, mechanical or computer software failure that is unavoidable or beyond reasonable control of TMA. TMA agrees to use all reasonable efforts to provide timely production services at an alternate site in the event that their production site is unusable due to the aforementioned acts of God or any circumstances outside TMA's control.

TMA'S maximum liability for any and all claims arising from the performance of its obligations shall not exceed the purchase price of the services provided.

No elected or appointed official, or employee of VILLAGE shall be personally liable, in law or in contract, to TMA as the result of the execution of this agreement.

7. Division of Responsibilities

7A. TMA Responsibilities

- 7A-1. To write the software required to convert the VILLAGE Utility billing file to the required laser image format.
- 7A-2. To write software that will allow VILLAGE'S Utility billing files to be processed through Postal software for the purpose of reducing VILLAGE'S postage to the minimum allowable postage piece rate.
- 7A-3. To procure all materials required to produce and to mail the Utility bills. This includes the Utility billing invoice, the No.10 window envelope and the No.9 courtesy reply envelope. TMA will not guarantee the performance of materials not produced by TMA.
- 7A-4. TMA will notify VILLAGE of the availability of record count and control totals for the Utility billing file no later than four (4) hours after receipt of the file.

7A-5 TMA will laser image and mail all VILLAGE Utility bills within forty-eight (48) post office operating hours after receipt of VILLAGE control total / record count sign off. Failing to do so will cause TMA a monetary penalty. The penalty is calculated by multiplying the late billing file's dollar value, times VILLAGE'S Bank daily earnings credit rate, times the number of day(s) late.

7A-6. TMA will provide our employees the training to ensure the confidentiality of VILLAGE information.

7A-7. TMA will maintain effective and timely communications with VILLAGE in all matters pertaining to the responsibilities listed herein.

7B. VILLAGE Responsibilities

7B-1. *Project Initiation:* VILLAGE will provide to TMA an ERP utility billing file containing all required billing elements which are internally calculated by the VILLAGE'S ERP software. Provide the Utility billing file record layout with file to form written instructions, all billing business rules, exception rules and any other variations to the above. VILLAGE shall approve the record count and control total format presentation and laser imaged Utility bill format both front and back upon project completion.

7B-2. *Billing File and/or Bill Format Changes:* Subsequent to VILLAGE "Project Initiation approval" any changes to billing business rules, laser image format, ERP billing file corruption, modifications and or version up-dates will be billed to VILLAGE at the prevailing programing rates. .

7B-2a: If your file is submitted to the TMA Gateway prior to 1pm, on a regular business day, and that file stalls/fails, the file will be reviewed the same business day. TMA will then impart this information to the municipality for the next steps to be determined.

7B-2b: If your file is submitted to the TMA Gateway after 1pm, on a regular business day, and that file stalls, the file will be reviewed on the next business day. TMA will then impart this information to the municipality for the next steps to be determined.

7B-2c: If your file is approved on the TMA Gateway, on a regular business day, and our production staff attempts to run the file in production and it is determined the file is corrupt, we will review the issue and advise the municipality for the next steps to be determined.

- On files approved before 1pm, on a regular business day, review the same business day.
- On files approved after 1pm, on a regular business day, reviewed the next business day.

7B-3. If, in the course of file review (whether prior to approval of file or after approval of file), it is determined that a file correction/or multiple corrections are needed, TMA will advise on the information that we have available, what the issue with the file is, and consult with the municipality for direction on whose responsibility it will be to correct the file.

7B- 3a: If that fix/correction is to be made by TMA, the number of programming hours (cost) will be explained, as well as the timeframe for the fix to be implemented.

Staff training and responsible file submission

7B-4. To provide to TMA a three (3) hour response via the TMA Gateway verifying the record count and control totals as stated in 7A-4.

7B-5. To maintain a C.A.P.S. postal account.

7B-6. To pay all correctly rendered TMA invoices in accordance with the Illinois Prompt Payment Act.

8. Price Changes

The prices listed on Schedule B shall be subject to review each year on the anniversary date of this agreement. That review shall determine if there were any increases or decreases in the cost of paper, production, transportation or any other cost component of the herein contained products and/or services. Prices may also be reviewed if the agreement quantity as stated in SCHEDULE "B" varies by more than ten percent.

TMA must provide third-party documentation of cost increases to VILLAGE. That documentation shall consist of letters of price increase or decrease from paper mills, articles from the Wall Street Journal or any other legitimate and universally accepted source. In the absence of the above documentation, the (J.P. Morgan-Chase Chicago area consumer price index) will be used as the source of price increase or decrease.

No price change imposed pursuant to this Paragraph 8 will be effective prior to the date that is 30 days after receipt of written notice thereof by VILLAGE. Notwithstanding any provision of this agreement to the contrary, VILLAGE may terminate this agreement at no cost or penalty within 30 days after receipt of written notice of any price increase imposed pursuant to this Paragraph 8.

9. Renegotiations and Cancellation

In the event either party is in breach of any of the terms contained herein, the non-breaching party shall give written notice of said breach to the breaching party. The breaching party shall have ten (10) days to cure the breach. In the event said breach is not cured within ten (10) days of notice, the non-breaching party may then give thirty (30) days written notice of cancellation of this Agreement.

10. Post-agreement Confidentiality

In the event of cancellation or expiration of this agreement, TMA shall return to VILLAGE all materials and information pertaining to the performance of this agreement. These materials shall include, but are not limited to, all electronic media, all printed material, all notes, memos or other sources of VILLAGE confidential information.

In no instance, prior to, during, or after the conclusion of this agreement, shall TMA offer for sale or in any other manner disclose to any third party the VILLAGE document file or any other such VILLAGE files, whether written or in electronic media format.

11. Materials Production

Prior to materials production runs, TMA will notify VILLAGE in writing of the items to be produced, production quantities planned and the estimated period of materials consumption. TMA will base its materials production quantities on projections using current semi-annualized Utility billing volume.

Any materials (i.e., non imaged forms, envelopes, etc.) that have been produced specifically and exclusively for VILLAGE'S use will be paid for by VILLAGE and at VILLAGE'S written request will be returned by TMA to VILLAGE upon cancellation or expiration of this agreement.

12. Other Provisions

This agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements. No amendment, supplement, modification, waiver or termination of this agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this agreement shall be deemed or shall constitute a waiver of any other provision of this agreement, whether or not similar, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

TMA shall act as an independent contractor in providing and performing the services. Nothing in, nor done pursuant to, this Agreement shall be construed to (1) create the relationship of principal and agent, employer and employee, partners, or joint venturers between VILLAGE and TMA; or (2) to create any relationship between VILLAGE and any subcontractor of the Contractor.

TMA represents and certifies that, to the best of its knowledge, (1) no elected or appointed Village official, employee or agent has a personal financial interest in the business of TMA or in this Agreement, or has personally received payment or other consideration for this Agreement; (2) as of the date of this Agreement, neither TMA nor any person employed or associated with TMA has any interest that would conflict in any manner or degree with the performance of the obligations under this Agreement; and (3) neither TMA nor any person employed by or associated with TMA shall at any time during the term of this Agreement obtain or acquire any interest that would conflict in any manner or degree with the performance of the obligations under this Agreement.

TMA represents and certifies that TMA is not barred from contracting with a unit of state or local government as a result of (1) a delinquency in the payment of any tax administered by the Illinois Department of Revenue unless TMA is contesting, in accordance with the procedures established by the appropriate revenue act, its liability for the tax or the amount of the tax, as set forth in Section 11-42.1-1 et seq. of the Illinois Municipal Code, 65 ILCS 5/11-42.1-1 et seq.; or (2) a violation of either Section 33E-3 or Section 33E-4 of Article 33E of the Criminal Code of 1961, 720 ILCS 5/33E-1 et seq. If at any time it shall be found that TMA has, in procuring this Agreement, colluded with any other person, firm, or corporation, then TMA shall be liable to VILLAGE for all loss or damage that VILLAGE may suffer, and this Agreement shall, at VILLAGE'S option, be null and void.

TMA shall give all notices, pay all fees, and take all other action that may be necessary to ensure that the services are provided, performed, and completed in accordance with all required governmental permits, licenses, or other approvals and authorizations that may be required in connection with providing, performing, and completing the services, and with all applicable statutes, ordinances, rules, and regulations, including without limitation the Fair Labor Standards Act; any statutes regarding qualification to do business; any statutes prohibiting discrimination because of, or requiring affirmative action based on, race, creed, color, national origin, age, sex, or other prohibited classification, including, without limitation, the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq.,

and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. TMA shall also comply with all conditions of any federal, state, or local grant received by VILLAGE or TMA with respect to this Agreement or the services. TMA shall be solely liable for any fines or civil penalties that are imposed by any governmental or quasi-governmental agency or body that may arise, or be alleged to have arisen, out of or in connection with TMA's, or its subcontractors, performance of, or failure to perform, the services or any part thereof. Every provision of law required by law to be inserted into this Agreement shall be deemed to be inserted herein.

This Agreement may not be assigned by VILLAGE or by TMA without the prior written consent of the other party.

Neither VILLAGE nor TMA shall be under any obligation to exercise any of the rights granted to them in this Agreement except as it shall determine to be in its best interest from time to time. The failure of VILLAGE or TMA to exercise at any time any such rights shall not be deemed or construed as a waiver of that right, nor shall the failure void or affect VILLAGE's or TMA's right to enforce such rights or any other rights.

No claim as a third party beneficiary under this Agreement by any person, firm, or corporation shall be made or be valid against VILLAGE.

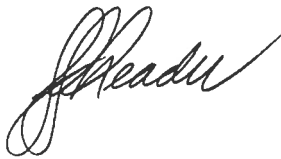
This agreement shall be construed and interpreted according to the laws of the State of Illinois.

If any provision, clause or part of this agreement, or the application thereof under certain circumstances is held illegal or unenforceable, the remainder of this agreement, or the application of such provision, clause or part under certain circumstances, shall not be affected thereby.

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed the Agreement effective as of the date last written below.

AUTHORIZATION

THIRD MILLENNIUM ASSOCIATES, INC.



Signature: _____

Name: **James J. Leader** _____

Title: **C.E.O.** _____

Date: **September 5, 2014** _____

VILLAGE OF CARPENTERSVILLE

Signature: _____

J. Mark Rooney

Name: _____

J. MARK ROONEY

Title: _____

VILLAGE MANAGER

Date: _____

11/6/14.

Schedule A

Materials to be provided by TMA:

- M1. 8 1/2 X 11" Utility bill printed two colors on the face and one color on the back. Paper is 20lb. MOCR bond, with a cross perforation to create the remittance portion of the document.
- M2. No.10 window envelope printed one color on the face. Paper is 24 lb. white-wove.
- M3. No.9 courtesy reply envelope printed one (1) color on the face. Paper is 24 lb. white-wove.
- M4. With mutual agreement, VILLAGE may authorize TMA to provide certain materials for new projects or variations of the billing project. These material descriptions may be attached to, and become a part of Schedule "A".

services to be provided by TMA:

- S1. To write VILLAGE Utility billing file conversion software that will allow the laser imaging of VILLAGE Utility bills per the charges stated in Schedule "B".
- S2. To write the required software that will allow VILLAGE'S billing file to be processed by TMA postal software.
- S3. To process the VILLAGE data file using TMA postal sort application software to reduce the VILLAGE'S postage rate to the minimum automation rate amount allowed by the USPS.
- S4. To laser image VILLAGE Utility bills in quantities and frequencies as stated in schedule "B" of this agreement.
- S5. To insert, seal, tray, sleeve, band, label, palletize and prepare USPS form 3602 and deliver to the US Post office all pieces laser imaged with respect to item S4.
- S6. To insert additional pieces into the outgoing No.10 billing envelope as directed by VILLAGE per the conditions and charges as stated in Schedule "B" of this agreement.
- S7. With mutual written agreement, VILLAGE may authorize TMA to provide additional services and / or products for new projects or variations of this billing project. These service descriptions may be attached to, and become a part of Schedule "A".

SCHEDULE B - Pricing

The prices contained herein are based on an average annual usage of 62,000 Utility bills. Any variance in the above quantities in excess of ten (10) percent per agreement year will be cause for a price review. There will be no more than one production run per month for the above stated item. Each Utility billing unit shall consist of the components described in Schedule A.

- 1B. VILLAGE Utility bills will be laser imaged and mailed at a cost of 15 cents per Utility bill (excluding postage). Prices are based on a monthly billing cycle. Each month TMA will bill between 4,275 and 5,950 utility accounts in one production run. There is a one-time billing system set up charge of \$1,000 in accordance with section 7B-1. This Utility bill set-up fee pays for a complete pre-production test of all systems and components. Included are all Schedule "A" items and printed matter proofs. Also included are the consulting services to coordinate your software, Bank and TMA software during the implementation. Extensive software tests to insure data input and output integrity. TMA, your software and VILLAGE shall develop an edit process to verify all record counts and various control totals. The above procedures will allow each party to comply with their responsibilities as stated in Paragraph seven (7). There will be a \$25.00 fee per production run if you chose to laser image late notices and / or shut-off notices as an additional and separate run each month. Should VILLAGE require changes to the Regular utility bills, or require the addition of past-due or shut-off notices to be designed and implemented and a later time than initial implementation, these set-ups will be quoted at the time of work and our prevailing programming rates.
- 2B. There will be a minimum charge of \$100 per month on items that do not total this in a single month.
- 3B. The TMA PDF electronic utility bill archival/Adobe Acrobat retrieval system will be provided with a one-time set up charge of \$0. There is a 0.0 cent fee per record archived.
- 4B. A separate insertion charge will be applied for any additional item inserted into the out-going billing envelope. Insertion items must physically qualify for use on our insertion equipment. The insertion charge is 2 cents per item. This charge does not include the cost of supplying the additional item(s) to be inserted.
- 5B. Should VILLAGE choose to provide the printed item to be inserted, there will be a \$95 flat handling charge added to the insertion cost of the item being provided. The insertion cost of a VILLAGE provided insert will be 3.0 cents per item. The cartons should be properly labeled on the outside showing full product description and quantity contained therein. Each shipment must also contain a packing list with product description and quantity contained in each carton, total cartons and total weight. The item must be properly packaged, folded and oriented for use on a high speed multi-station inserter.
- 6B. With mutual written agreement, VILLAGE may authorize TMA to provide certain products and services for new or revised projects. The TMA pricing structure for these projects may be attached to, and become a part of, Schedule "B".

**CONFIDENTIALITY AGREEMENT
BETWEEN
VILLAGE OF CARPENTERSVILLE
AND
THIRD MILLENNIUM ASSOCIATES, INC.**

This agreement made and entered into this 4 day of November, 2014, by and between Third Millennium Associates, Inc. (hereinafter referred to as "TMA") and the Village of Carpentersville, (hereinafter referred to as "VILLAGE").

Whereas VILLAGE desires to keep in confidence all information pertaining to the VILLAGE billing files and past due information and whereas TMA desires to keep in confidence all technical and systems information.

Now, therefore, in consideration of the mutual covenants and agreements of each party to the other as stated herein, it is mutually agreed among the parties as follows:

1. SYSTEM DESIGN VILLAGE will make available to TMA for the purpose of evaluation and system development certain confidential information. This information shall include but not be limited to name and address files, billing amounts and certain past due information.


2. CONFIDENTIAL DOCUMENTS VILLAGE shall give to TMA confidential information and TMA shall make copies for internal purposes only. All written information presented to TMA shall be and remain confidential.

3. CONFIDENTIAL ORAL DISCLOSURES VILLAGE shall inform TMA through its representatives that a particular oral disclosure shall be deemed confidential information.

4. TMA NON-DISCLOSURE TMA and its designated personnel will hold in confidence all confidential information disclosed for the purpose of evaluating its interest in establishing a business relationship with VILLAGE. Upon establishing a desire to enter into a business relationship, all confidential information shall continue to remain confidential. If no business relationship should exist, all information shall be returned to VILLAGE by TMA and TMA shall purge all files related to VILLAGE.


5. VILLAGE NON-DISCLOSURE TMA shall make available to VILLAGE orally and / or in writing, details regarding the design and functionality of TMA'S software and systems. These shall be held in strict confidence by VILLAGE and shall not in any way be shared with or disclosed to a third party, except as may be required by law or court order.

In no instance, during or at any time after the conclusion of this agreement, shall TMA offer for sale or in any other manner disclose to any third party the VILLAGE Utility billing files or past due file or any other such VILLAGE files, whether written or in electronic format.



Village of Carpentersville
11-15-14

DATE



THIRD MILLENNIUM ASSOCIATES, INC.

September 5, 2014

DATE