



Date: May 29, 2025

To: Governing Body
Finance Committee
Public Utilities/Public Works Committee

Via: Jesse Roach, Interim Public Utilities Director JR
JR

From: Nancy Jimenez, Utility Billing Division Director NLJ
NLJ

Subject: Printing and Mailing Services for Utility Bills and other Mailings

Vendor Name: Valli Information Systems INC., DBA Postal Pros Southwest

Vendor Number: 7852

ITEM AND ISSUE:

Request for the Approval of the Invitation to Bid (ITB) #25146 in the total amount of \$3,061,706.30 for utility bill prints, postage and insert information, for 10 years; Valli Information Systems Inc., DBA Postal Pros Southwest; (Nancy L. Jimenez, Utility Billing Division Director, nljimenez@santafenm.gov, 505-955-4364)

BACKGROUND AND SUMMARY:

The City of Santa Fe seeks to secure the services of a qualified vendor for the comprehensive management of its utility billing distribution processes. Historically, the City has relied on an external provider for the printing, mailing, and delivery of utility bills to ensure timely communication with approximately 42,000 utility customers on a monthly basis. These services are essential for maintaining cash flow, providing mandated water quality reporting, and distributing important account-related notices and outreach materials.

This ITB reflects the City’s commitment to improving service reliability, operational efficiency, and environmental sustainability while preparing for future system enhancements. Over time, the scope of work has expanded to include not only routine bill mailings but also more complex deliverables such as:

- Integration with Paymentus Corp. for electronic billing,
- Print and digital delivery of targeted inserts (e.g., water conservation outreach, leak/lien letters),
- On-demand statement redesign,

- Lockbox processing compatibility, and
- Digital transformation initiatives, including paperless billing and automated return mail management.

The City’s planned migration to a new billing software system will require flexible vendors capable of adapting to new data formats, file submission schedules, and variable billing cycles, which may increase too twice weekly or daily. As a result, this procurement effort is intended to ensure that the selected service provider can meet current needs while supporting evolving future requirements.

Santa Fe has also made it a priority to uphold data security and environmental responsibility, requiring SSAE-16 certification, secure data handling and disposal, electronic delivery options, and material-saving practices (such as withholding return envelopes for customers on autopay).

The utility billing process is a mission-critical operation that directly impacts residents’ access to information, billing accuracy, and payment timeliness. Through this contract, the City aims to partner with a vendor capable of meeting high-volume production demands, providing full-color customized billing formats, and maintaining operational continuity through disaster recovery capabilities.

This ITB builds on Santa Fe’s prior billing and mailing strategies, taking into account lessons learned, technological advancements, and the increasing importance of customer-friendly communication channels. The selected vendor will play a key role in modernizing the City's customer engagement while ensuring cost-effectiveness and regulatory compliance.

PROCUREMENT METHOD:

The procurement method is the Invitation to Bid (ITB) 25146 which expires on June 30, 2035 or ten (10) years from final signature.

Chief Procurement Officer Approval: *JoAnn Lovato Montaño* **Date:** 06/06/2025
Comment/Exceptions: General Services procured via ITB

CONTRACT NUMBER:

The FY25 Munis contract number is 3250595
 The FY25 Project ledger number is 5110351 561000

FUNDING SOURCE:

Fund Name/Number: Utilities Admin Fund/511
Munis Org Name/Number: Utility Billing Admin/5110531
Munis Object Name/Number: Service Contracts/510310

ACTION REQUESTED:

Public Utility Billing Division respectfully requests your approval for ITB #25146 to Valli Information Systems INC., DBA Postal Pros Southwest.

Project Ledger #: _____

Budget Officer Approval: *AL* ALEXIS LOTERO (Jun 6, 2025 11:08 MDT) Date: 06/06/2025
Comment/Exceptions: _____

CAPITAL ASSET (will this procurement result in a tangible item that costs more than \$5,000?):

Yes | No

(if known): _____

Repair or Replacement of Existing Equipment:

Yes | No

If yes -> Repair | Replacement

Please explain: _____

Capital Project:

(New and improvement projects that are going to cost \$10,000 or more)

Yes | No

Project Ledger #: _____

Anticipated length of project: _____

Asset Manager Approval: _____ Date: _____

Comment/Exceptions: _____

Department Approvals:

IT Components: Yes | No

Vehicles: Yes | No

Facilities, Furniture, Fixtures, Equipment: Yes | No

Approval: _____ Title: _____

Date: _____

Approval: _____ Title: _____

Date: _____

Comment & Exceptions: _____

Department Contract Administrator Contact Info:

Nancy Jimenez, Utility Billing Division Director, njimenez@santafenm.gov, 505-955-4364

Attachments:

General Service Contract

Certificate of Liability Insurance

Horizons and Determination

Signature: Nancy L. Jimenez

Nancy L. Jimenez (May 29, 2025 11:48 MDT)

Email: nljimenez@santafenm.gov

Signature: 

Email: jdroach@santafenm.gov

**CITY OF SANTA FE
GENERAL SERVICES CONTRACT**

Services

THIS CONTRACT is made and entered into by and between the City of Santa Fe, herein after referred to as the “City,” and Valli herein after referred to as the “Contractor.”

IT IS MUTUALLY AGREED BETWEEN THE PARTIES:

1. **Definitions**

A. “Products and Services Schedule” refers to the complete list of products and services offered under this Contract and the price for each. Product and service descriptions may be amended with the prior approval of the Contract Administrator. New products and services shall not be added to the Products and Services Schedule.

B. “Business Hours” means 8:00 a.m. to 5:00 p.m. Mountain Time.

2. **Scope of Work**

A. The Contractor shall be responsible for the weekly printing and mailing of the City’s utility bills. If needed, the Contractor shall also print and deliver daily bills, the Annual Water Quality Report (Consumer Confidence Report), and additional reports and inserts, including but not limited to Water Conservation education materials, Collection Letters, Leak Letters, Lien Letters, and Low-Income Annual Renewal Letters. The Contractor shall print inline advertisements, messages, and/or City-provided inserts to accompany bill statements upon request, at no additional cost to the City.

B. Upon the migration to a new billing software system, the Contractor shall redesign or modify utility bills as required. Migration may require changes in file submission times and formats, as well as adjustments to the weekly billing cycle, which may increase to twice a week or daily.

C. The Contractor shall upload electronic bills (e-bills) to Paymentus, the City’s online billing and payment platform, for customers who opt for electronic billing.

D. The Contractor shall print, mail, and/or email approximately 40,000 utility bills per month. Billing data files shall be submitted electronically by the City on a weekly or as-needed basis and will be categorized as “Cycle,” “Final,” or “Single” bills.

E. The Contractor shall accept input data files in at least one of the following formats: .xml, .txt, .pcl, .afp, or .pdf. The City shall submit these files via the Contractor’s secure FTP site. The Contractor shall process these files through a custom program to generate two (2) print-ready files: a statement file and a reminder and/or delinquent letter file. Statement files shall be flagged for selected inserts as required by the City. The Contractor shall encode processed files to use specific forms with multiple fonts based on data criteria. The City shall review and approve sample bills prior to printing.

F. The Contractor shall maintain confidentiality in handling customer information. All discarded billings shall be shredded using a crosscut or confetti method and disposed of in a private dumpster or refuse receptacle. Under no circumstances shall customer data be discarded un-shredded or placed in a public dumpster or refuse receptacle. The Contractor must be SSAE 16 certified.

G. The Contractor shall provide a secure data transmission method for sending and receiving files and a confirmation process to verify receipt of all transmitted data.

H. The Contractor shall have the necessary staffing, equipment, and resources to print, fold, insert, sort, and mail bills on a weekly or daily basis as required. All printed bills shall be mailed by the following business day. The Contractor shall use electronic pre-sorting to obtain postal discounts and ensure the lowest possible mailing rates for the City's utility bills, 15-day notices, and special mailings. Each statement shall be bar-coded before printing and comply with USPS Coding Accuracy Support System (CASS), Presort Accuracy Validation Evaluation (PAVE), and Delivery Point Validation (DPV) standards.

I. The Contractor shall maintain an adequate workforce and supply of paper, forms, envelopes, and other materials to fulfill contractual obligations without delays. Failure to perform services due to insufficient staffing or materials may result in contract termination.

J. The Contractor shall print full-color, duplexed statements with graphics, charts, and variable usage graphs to enhance readability and functionality. The Contractor shall provide statement redesign services as part of onboarding. The Contractor must meet the lockbox processor's specifications for barcodes used in payment processing.

K. The Contractor shall procure and warehouse all necessary paper, forms, envelopes, and other supplies at no additional cost to the City. The City shall not be invoiced for these materials.

L. The Contractor shall use preprinted #10 window envelopes with interior security tinting for bill mailings. Each bill shall include one (1) #9 return envelope with security tinting and up to three (3) inserts, unless otherwise specified. Multi-page statements shall be collated, folded, and machine-inserted into the window envelope. The City shall designate which statements require specific inserts.

M. The Contractor shall have the capability to exclude return envelopes for customers enrolled in bank draft payments, as identified by the City, to reduce costs and environmental impact. Customers receiving e-bills shall not receive a printed copy by mail.

N. The Contractor shall provide electronic access to bill inserts through an email attachment or a link for customers receiving bills via email.

O. The Contractor shall provide all-inclusive, per-unit pricing for services rendered, excluding postage costs. The per-unit fee shall include all expenses related to staffing, software, hardware, printing equipment, mailing materials, and any other costs associated with service delivery. No additional charges shall be incurred for jammed, wasted, or obsolete materials.

P. The Contractor shall maintain a disaster recovery plan that includes backup power, offsite data centers, redundant equipment, and a formal disaster recovery site or agreement.

Q. The Contractor shall offer a return mail service to assist with undeliverable mail and provide detailed reporting through a secure online portal.

R. The Contractor shall consolidate multiple bills addressed to the same mailing address into a single package. Intelligent Mail Barcode (IMB) and USPS Full-Service Submission must be utilized. Services shall be accessible through a 24/7 online portal.

S. The Contractor shall implement page-level tracking in the production environment with a closed-loop quality control system. The system shall detect and sort out suspect mail pieces, automatically reprint any unsuccessful documents, and require no human intervention. A mail run data file shall direct job instructions to production equipment.

T. The Contractor shall laser print variable information on perforated paper with a preprinted back. Delinquent accounts shall be marked with "Past Due," while final and reminder notices shall be printed on 60# white paper.

U. The Contractor shall accommodate business rules for statement exclusions before mailing. The Contractor shall provide functionality for City staff to review and approve statements before printing and mailing.

V. The Contractor shall bill postage costs after each billing cycle. If billing occurs daily, postage shall be billed weekly. The City shall not be required to prepay postage.

W. The Contractor shall deliver electronic statements via email to customers who have opted for online account access with the City.

X. The Contractor shall provide secure online access to utility statements for City customer service staff. The system shall allow customers to view, download, save, email, or print statements, with automated email notifications for statement availability. A 24-month statement history shall be maintained.

Y. The Contractor shall archive utility statements in .pdf format for City personnel. Archived statements shall be stored "as printed and mailed," including postal-optimized address corrections, to ensure accuracy.

Z. The Contractor shall provide search capabilities indexed by Name, Account Number, Service Number, Service Address, Billing Date, Duplicate Bill status, Amount Due, Balance Forward, and Adjustment Amount. The system shall support compound and relational searches, with retrieval speeds not exceeding two seconds. The Contractor shall provide a means to download search results into Excel.

AA. The Contractor shall provide customization and programming services as required by the City.

BB. The Contractor shall reformat data files to match customized statement layouts.

CC. The Contractor shall apply logical processing to data as specified by the City.

DD. The Contractor shall provide print broker services to secure competitive pricing for preprinted envelopes, billing forms, and other printed materials as requested by the City.

3. Compensation.

A. Compensation Schedule. The City shall pay to the Contractor based upon fixed prices for each Deliverable, per the schedule outlined in Exhibit A and the current postage rates.

B. The City shall pay to the Contractor in full payment for services satisfactorily performed at the rate of two hundred eighty-three thousand dollars (\$283,000) per year, such compensation not to exceed three hundred six thousand one hundred seventy dollars and sixty-three cents (\$306,170.63)) per year, including gross receipts tax. The New Mexico gross receipts tax (8.1875%) levied on the amounts payable under this Contract totaling approximately three hundred and six thousand, one hundred seventy dollars and sixty-three cents (\$23,170.63) shall be paid by the City to the Contractor. The total amount payable to the Contractor under this Contract, including gross receipts tax and expenses, shall not exceed \$3,061,706.30 over ten (10) years from date of final signature.

C. Payment. The total compensation under this Contract shall not exceed three million sixty-one thousand seven hundred six dollars and thirty cents (\$3,061,706.30) - including New Mexico gross receipts tax. This amount is a maximum and not a guarantee that the work assigned to be performed by Contractor under this Contract shall equal the amount stated herein. The Parties do not intend for the Contractor to continue to provide Services without compensation when the total compensation amount is reached. Contractor is responsible for notifying the City when the Services provided under this Contract reach the total compensation amount. In no event will the Contractor be paid for Services provided in excess of the total compensation amount without this Contract being amended in writing prior to services, in excess of the total compensation amount being provided.

D. Payment shall be made upon Acceptance of each Deliverable and upon the receipt and Acceptance of a detailed, certified Payment Invoice. Payment will be made to the Contractor's designated mailing address. In accordance with Section 13-1-158 NMSA 1978, payment shall be tendered to the Contractor within thirty (30) days of the date of written certification of Acceptance. All Payment Invoices MUST BE received by the City no later than fifteen (15) days after the termination of this Contract. Payment Invoices received after such date WILL NOT BE PAID.

4. **Term**

THIS CONTRACT SHALL NOT BECOME EFFECTIVE UNTIL APPROVED IN WRITING BY THE CITY. This contract shall terminate **ten (10) years from date of final signature** in accordance with NMSA 1978, Sections 13-1-150 through 152.

5. **Default and Force Majeure**

The City reserves the right to cancel all, or any part of any orders placed under this contract without cost to the City, if the Contractor fails to meet the provisions of this contract and, except as otherwise provided herein, to hold the Contractor liable for any excess cost occasioned by the City due to the Contractor's default. The Contractor shall not be liable for any excess costs if failure to perform the order arises out of causes beyond the control and without the fault or negligence of the Contractor; such causes include, but are not restricted to, acts of God or the public enemy, acts of the State or Federal Government, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather and defaults of sub-contractors due to any of the above, unless the City shall determine that the supplies or services to be furnished by the sub-contractor were obtainable from other sources in sufficient time to permit the Contractor to meet the required delivery scheduled. The rights and remedies of the City provided in this paragraph shall not be exclusive and are in addition to any other rights now being provided by law or under this contract.

6. **Termination**

A. **Grounds.** The City may terminate this Contract for convenience or cause. For contracts within their authority, the City Manager or their designee is authorized to provide the notice of termination, otherwise such notice of termination shall be provided by the Mayor, or their designee as authorized by the Governing Body. The Contractor may only terminate this Contract based upon the City's uncured, material breach of this Contract.

B. **Notice: City Opportunity to Cure.**

- i. The City shall give the Contractor written notice of termination at least thirty (30) days prior to the intended date of termination.
- ii. Contractor shall give City written notice of termination at least thirty (30) days prior to the intended date of termination, which notice shall (i) identify all the City's material breaches of this Contract upon which the termination is based and (ii) state what the City must do to cure such material breaches. Contractor's notice of termination shall only be effective (i) if the City does not cure all material breaches within the thirty (30) day notice period or (ii) in the case of material breaches that cannot be cured within thirty (30) days, the City does not, within the thirty (30) day notice period, notify the Contractor of its intent to cure and begin with due diligence to cure the material breach.
- iii. Notwithstanding the foregoing, this Contract may be terminated immediately upon written notice to the Contractor (i) if the Contractor becomes unable to perform the services contracted for, as determined by the City; (ii) if, during the term of this Contract, the Contractor is suspended or debarred by the City; or (iii) the Contract is terminated pursuant to Paragraph 17, "Appropriations", of this Contract.

C. **Liability.** Except as otherwise expressly allowed or provided under this Contract, the City's sole liability upon termination shall be to pay for acceptable work performed prior to the Contractor's receipt or issuance of a notice of termination; provided, however, that a notice of termination shall not nullify or otherwise affect either party's liability for pre-termination defaults under or breaches of this Contract. The Contractor

shall submit an invoice for such work within thirty (30) days of receiving or sending the notice of termination. *THIS PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE THE CITY'S OTHER LEGAL RIGHTS AND REMEDIES CAUSED BY THE CONTRACTOR'S DEFAULT/BREACH OF THIS CONTRACT.*

7. **Amendment**

A. This Contract shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the City proposes an amendment to the Contract to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Contract, pursuant to the termination provisions as set forth in Paragraph 7 herein, or to agree to the reduced funding.

8. **Status of Contractor**

The Contractor, and Contractor's agents and employees, are independent Contractors for the City and are not employees of the City. The Contractor, and Contractor's agents and employees, shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City because of this Contract. The Contractor acknowledges that all sums received hereunder are personally reportable by the Contractor for income tax purposes, including without limitation, self-employment tax and business income tax. The Contractor agrees not to purport to bind the City unless the Contractor has written authority to do so, and then only within the strict limits of that authority.

9. **Assignment**

The Contractor shall not assign or transfer any interest in this Contract or assign any claims for money due or to become due under this Contract without the prior written approval of the City.

10. **Subcontracting**

The Contractor shall not subcontract any portion of the services to be performed under this Contract without the prior written approval of the City. No such subcontract shall relieve the primary Contractor from its obligations and liabilities under this Contract, nor shall any subcontract obligate direct payment from the City.

11. **Non-Collusion**

In signing this Contract, the Contractor certifies the Contractor has not, either directly or indirectly, entered into action in restraint of free competitive bidding in connection with this offer submitted to the City.

12. **Inspection of Plant**

The City may inspect, at any reasonable time during Contractor's regular business hours and upon prior written notice, the Contractor's plant or place of business, or any subcontractor's plant or place of business, which is related to the performance of this contract.

13. **Commercial Warranty**

The Contractor agrees that the tangible personal property or services furnished under this Contract shall be covered by the most favorable commercial warranties the Contractor gives to any customer for such tangible

personal property or services, and that the rights and remedies provided herein shall extend to the City and are in addition to and do not limit any rights afforded to the City by any other clause of this order. The contractor agrees not to disclaim warranties of fitness for a particular purpose or merchantability.

14. Condition of Proposed Items

Where tangible personal property is a part of this Contract, all proposed items are to be NEW and of most current production, unless otherwise specified.

15. Records and Audit

During the term of this Contract and for three years thereafter, the Contractor shall maintain detailed records pertaining to the services rendered and products delivered. These records shall be subject to inspection by the City, the State Auditor and other appropriate state and federal authorities. The City shall have the right to audit billings both before and after payment. Payment under this Contract shall not foreclose the right of the City to recover excessive or illegal payments.

16. Appropriations

The terms of this Contract, and any orders placed under it, are contingent upon sufficient appropriations and authorization being made by the Governing Body for the performance of this Contract. If sufficient appropriations and authorization are not made by the legislature, this Contract, and any orders placed under it, shall terminate upon written notice being given by the City to the Contractor. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final. If the City proposes an amendment to the Contract to unilaterally reduce funding, the Contractor shall have the option to terminate the Contract or to agree to the reduced funding, within thirty (30) days of receipt of the proposed amendment.

17. Release

The Contractor, upon final payment of the amount due under this Contract, releases the City, its officers, and employees, from all liabilities, claims and obligations whatsoever arising from or under this Contract. The Contractor agrees not to purport to bind the City, unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

18. Confidentiality

Any confidential information provided to or developed by the Contractor in the performance of this Contract shall be kept confidential and shall not be made available to any individual or organization by the Contractor without prior written approval by the City.

19. Conflict of Interest

A. The Contractor represents and warrants that it presently has no interest and, during the term of this Contract, shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance or services required under the Contract. The Contractor shall comply with any applicable provisions of the New Mexico Governmental Conduct Act and the New Mexico Financial Disclosures Act.

B. The Contractor further represents and warrants that it has complied with, and, during the term of this Contract, will continue to comply with, and that this Contract complies with all applicable provisions of the Governmental Conduct Act, Chapter 10, Article 16 NMSA 1978.

C. Contractor's representations and warranties in Paragraphs A and B of this Paragraph are material representations of fact upon which the City relied when this Contract was entered into by the parties. Contractor shall provide immediate written notice to the City if, at any time during the term of this Contract, Contractor learns that Contractor's representations and warranties in Paragraphs A and B of this Paragraph 20 were erroneous on the effective date of this Contract or have become erroneous by reason of new or changed circumstances. If it is later determined that Contractor's representations and warranties in Paragraphs A and B of this Paragraph 20 were erroneous on the effective date of this Contract or have become erroneous by reason of new or changed circumstances, in addition to other remedies available to the City and notwithstanding anything in the Contract to the contrary, the City may immediately terminate the Contract.

D. All terms defined in the Governmental Conduct Act have the same meaning in this section.

20. Approval of Contractor Representative(s)

The City reserves the right to require a change in Contractor representative(s) if the assigned representative(s) are not, in the opinion of the City, adequately serving the needs of the City.

21. Scope of Contract; Merger

This Contract incorporates all the covenants and understandings between the parties hereto concerning the subject matter hereof, and all such covenants, agreements, and understandings have been merged into this written contract. All terms and conditions of **ITB #25146 and the Contractor's bid are incorporated** herein by reference and are included in the order of precedence.

22. Notice

The Procurement Code, NMSA 1978, Sections 13-1-28 through 13-1-199, imposes civil and criminal penalties for its violation. In addition, the New Mexico criminal statutes impose felony penalties for bribes, gratuities, and kickbacks.

23. Equal Opportunity Compliance

The Contractor agrees to abide by all federal and state laws, and local Ordinances, pertaining to equal employment opportunity. In accordance with all such laws, rules, and regulations, the Contractor agrees to assure that no person in the United States shall on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Contract. If Contractor is found not to be in compliance with these requirements during the life of this Contract, Contractor agrees to take appropriate steps to correct these deficiencies.

24. Indemnification

The Contractor shall hold the City and its employees harmless and shall indemnify the City and its employees against any and all claims, suits, actions, liabilities and costs of any kind, including attorney's fees for personal injury or damage to property arising from the acts or omissions of the Contractor, its agents, officers, employees or subcontractors. The Contractor shall not be liable for any injury or damage as a result of any negligent act or omission committed by the City, its officers or employees.

25. New Mexico Tort Claims Act

Any liability incurred by the City of Santa Fe in connection with this Contract is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et. seq. NMSA 1978, as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Contract modifies or waives any provision of the New Mexico Tort Claims Act.

26. Applicable Law

The laws of the State of New Mexico shall govern this Contract, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with NMSA 1978, Section 38-3-2. By execution of this Contract, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Contract.

27. Limitation of Liability

The Contractor's liability to the City, for any cause whatsoever shall be limited to the purchase price paid to the Contractor for the products and services that are the subject of the City's, claim. The foregoing limitation does not apply to paragraph 25 of this Contract or to damages resulting from personal injury caused by the Contractor's negligence.

28. Incorporation by Reference and Precedence

If this Contract has been procured pursuant to a request for proposals, this Contract is derived from (1) the request for proposal, (including any written clarifications to the request for proposals and any City response to questions); (2) the Contractor's best and final offer; and (3) the Contractor's response to the request for proposals.

In the event of a dispute under this Contract, applicable documents will be referred to for the purpose of clarification or for additional detail in the following order of precedence: (1) amendments to the Contract in reverse chronological order; (2) the Contract, including the scope of work and all terms and conditions thereof; (3) the request for proposals, including attachments thereto and written responses to questions and written clarifications; (4) the Contractor's best and final offer if such has been made and accepted by the City; and (5) the Contractor's response to the request for proposals.

29. Workers' Compensation

The Contractor agrees to comply with state laws and rules applicable to workers' compensation benefits for its employees. If the Contractor fails to comply with the Workers' Compensation Act and applicable rules when required to do so, this Contract may be terminated by the City.

30. Inspection

If this contract is for the purchase of tangible personal property (goods), final inspection and acceptance shall be made at Destination. Tangible personal property rejected at Destination for non-conformance to specifications shall be removed at Contractor's risk and expense promptly after notice of rejection and shall not be allowable as billable items for payment.

31. Inspection of Services

If this contract is for the purchase of services, the following terms shall apply.

A. Services, as used in this Article, include services performed, workmanship, and material furnished or utilized in the performance of services.

B. The Contractor shall provide and maintain an inspection system acceptable to the City covering the services under this Contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the City and for as long thereafter as the Contract requires. The City has the right to inspect and test all services contemplated under this Contract to the extent practicable at all times and places during the term of the Contract. The City shall perform inspections and tests in a manner that will not unduly delay or interfere with Contractor's performance.

C. If the City performs inspections or tests on the premises of the Contractor or a subcontractor, the Contractor shall furnish, and shall require subcontractors to furnish, at no increase in contract price, all reasonable facilities and assistance for the safe and convenient performance of such inspections or tests.

D. If any part of the services does not conform with the requirements of this Contract, the City may require the Contractor to re-perform the services in conformity with the requirements of this Contract at no increase in contract amount. When the defects in services cannot be corrected by re-performance, the City may:

- i. require the Contractor to take necessary action(s) to ensure that future performance conforms to the requirements of this Contract; and
- ii. reduce the contract price to reflect the reduced value of the services performed.

E. If the Contractor fails to promptly re-perform the services or to take the necessary action(s) to ensure future performance in conformity with the requirements of this Contract, the City may:

- i. by contract or otherwise, perform the services and charge to the Contractor any cost incurred by the City that is directly related to the performance of such service; or
- ii. terminate the contract for default.

32. Insurance

If the services contemplated under this Contract will be performed on or in City facilities or property, Contractor shall maintain in force during the entire term of this Contract, the following insurance coverage(s), naming the City as additional insured.

A. **Commercial General Liability** insurance shall be written on an occurrence basis and be a broad as ISO Form CG 00 01 with limits not less than \$2,000,000 per occurrence and \$2,000,000 in the aggregate for claims against bodily injury, personal and advertising injury, and property damage. Said policy shall include

broad form Contractual Liability coverage and be endorsed to name the City of Santa Fe their officials, officers, employees, and agents as additional insureds.

B. Broader Coverage and Limits. The insurance requirements under this Contract shall be the greater of (1) the minimum coverage and limits specified in this Contract, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the Named Insured. It is agreed that these insurance requirements shall not in any way act to reduce coverage that is broader or that includes higher limits than the minimums required herein. No representation is made that the minimum insurance requirements of this Contract are sufficient to cover the obligations of Contractor hereunder.

C. Contractor shall maintain the above insurance for the term of this Contract and name the City as an additional insured and provide for 30 days cancellation notice on any Certificate of Insurance form furnished by Contractor. Such certificate shall also specifically state the coverage provided under the policy is primary over any other valid and collectible insurance and provide a waiver of subrogation.

33. Impracticality of Performance

A party shall be excused from performance under this Contract for any period that the party is prevented from performing as a result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination.

34. Invalid Term or Condition

If any term or condition of this Contract shall be held invalid or unenforceable, the remainder of this Contract shall not be affected and shall be valid and enforceable.

35. Enforcement of Contract

A party's failure to require strict performance of any provision of this Contract shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision. No waiver by a party of any of its rights under this Contract shall be effective unless express and in writing, and no effective waiver by a party of any of its rights shall be effective to waive any other rights.

36. Patent, Copyright and Trade Secret Indemnification

A. The Contractor shall defend, at its own expense, the City against any claim that any product or service provided under this Contract infringes any patent, copyright to trademark in the United States or Puerto Rico, and shall pay all costs, damages and attorneys' fees that a court finally awards as a result of any such claim. In addition, if any third party obtains a judgment against the City based upon Contractor's trade secret infringement relating to any product or services provided under this Contract, the Contractor agrees to reimburse the City for all costs, attorneys' fees and amount of the judgment. To qualify for such defense and or payment, the City shall:

- i. give the Contractor prompt written notice within 48 hours of any claim;
- ii. allow the Contractor to control the defense of settlement of the claim; and
- iii. cooperate with the Contractor in a reasonable way to facilitate the defense or settlement of the claim.

- B. If any product or service becomes, or in the Contractor's opinion is likely to become the subject of a claim of infringement, the Contractor shall at its option and expense:
- i. provide the City the right to continue using the product or service and fully indemnify the City against all claims that may arise out of the City's use of the product or service;
 - ii. replace or modify the product or service so that it becomes non-infringing; or,
 - iii. accept the return of the product or service and refund an amount equal to the value of the returned product or service, less the unpaid portion of the purchase price and any other amounts, which are due to the Contractor. The Contractor's obligation will be void as to any product or service modified by the City to the extent such modification is the cause of the claim.

37. Survival

The Contract paragraphs titled "Patent, Copyright, Trademark, and Trade Secret Indemnification; Indemnification; and Limit of Liability" shall survive the expiration of this Contract. Software licenses, leases, maintenance and any other unexpired Agreements that were entered into under the terms and conditions of this Contract shall survive this Contract.

38. Disclosure Regarding Responsibility

A. Any prospective Contractor and any of its Principals who enter into a contract greater than sixty thousand dollars (\$60,000.00) with any City for professional services, tangible personal property, services or construction agrees to disclose whether the Contractor, or any principal of the Contractor's company is presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency or local public body.

B. Principal, for the purpose of this disclosure, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity or related entities.

C. The Contractor shall provide immediate written notice to the City if, at any time during the term of this Contract, the Contractor learns that the Contractor's disclosure was at any time erroneous or became erroneous by reason of changed circumstances.

D. A disclosure that any of the items in this requirement exist will not necessarily result in termination of this Contract. However, the disclosure will be considered in the determination of the Contractor's responsibility and ability to perform under this Contract. Failure of the Contractor to furnish a disclosure or provide additional information as requested will be grounds for immediate termination of this Contract pursuant to the conditions set forth in Paragraph 7 of this Contract.

E. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the disclosure required by this document. The knowledge and information of a Contractor is not required to exceed that which is the normally possessed by a prudent person in the ordinary course of business dealings.

F. The disclosure requirement provided is a material representation of fact upon which reliance was placed when making an award and is a continuing material representation of the facts during the term of this Contract. If during the performance of the contract, the Contractor is indicted for or otherwise criminally or civilly charged by any government entity (federal, state or local) with commission of any offenses named in this document the Contractor must provide immediate written notice to the City. If it is later determined that the

Contractor knowingly rendered an erroneous disclosure, in addition to other remedies available to the Government, the City may terminate the involved contract for cause. Still further the City may suspend or debar the Contractor from eligibility for future solicitations until such time as the matter is resolved to the satisfaction of the City.

39. Suspension, Delay or Interruption of Work

The City may, without cause, order the Contractor, in writing, to suspend, delay or interrupt the work in whole or in part for such period of time as the City may determine. The contract sum and contract time shall be adjusted for increases in cost and/or time associated with Contractor's compliance therewith. Upon receipt of such notice, Contractor shall leave the jobsite and any equipment in a safe condition prior to departing. Contractor must assert rights to additional compensation within thirty (30) days after suspension of work is lifted and return to work is authorized. Any compensation requested for which entitlement is granted and the contract sum adjusted, shall have profit included (for work completed) and for cost only (not profit) for Contractor costs incurred directly tied to the suspension itself and not otherwise covered by Contract remedy. Any change in Total Compensation must be reflected in an Amendment executed pursuant to Section 8 of this Contract.

40. Notification

Either party may give written notice to the other party in accordance with the terms of this Paragraph. Any written notice required or permitted to be given hereunder shall be deemed to have been given on the date of delivery if delivered by personal service or hand delivery or three (3) business days after being mailed.

To the City: Nancy Jimenez, Public Utilities Department 1142 Siler Rd A, Santa Fe, NM 87507	To the Contractor: Valli Information Systems, Inc. 4100 Hawkins St NE, Suite B Albuquerque, NM, 87109
--	--

Either party may change its representative or address above by written notice to the other in accordance with the terms of this Paragraph. The carrier for mail delivery and notices shall be the agent of the sender.

41. Succession

This Contract shall extend to and be binding upon the successors and assigns of the parties.

IN WITNESS WHEREOF, the Parties have executed this Contract as of the date of the signature by the required approval authorities below.

CITY OF SANTA FE:

CONTRACTOR:

ALAN WEBBER, CITY MAYOR

DATE: _____

Brooks Ney
Brooks Ney (May 22, 2025 14:38 MDT)

BROOKS NEY, BUSINESS DEVELOPMENT MANAGER

DATE: 22/05/2025

NMBTIN: 03-342682-00-1

ATTEST:

CITY CLERK

CITY ATTORNEY'S OFFICE:

Marcos Martinez
Marcos Martinez (May 22, 2025 14:43 MDT)

SENIOR ASSISTANT CITY ATTORNEY

APPROVED FOR FINANCES:

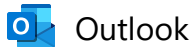
Emily K. Oster

FINANCE DIRECTOR

Exhibit A

Printing and Mailing Service for Utility Bills and other Special Mailings
ITB# 25146

Item	Appro x. Qty.	UOM	Article and Description	Unit Price	Comments
1	10	YR - Year	Utility bill printing and insert information services	\$46,808.40	
2	120	MON - Months	Web posting, printing, and custom design	\$2,547.15	
3					
4					



Fw: Determination Request If Services are Provided by Horizons- Rate Analysis

From RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov>

Date Fri 2/28/2025 4:08 PM

To DUTTON-LEYDA, TRAVIS K. <tkduttonleyda@santafenm.gov>; LOVATO, JOANN D. <jdlovato@santafenm.gov>

Cc MONROE, CARLA D. <cdmonroe@santafenm.gov>; TAPIA, JIMMY P. <jptapia@santafenm.gov>

Good Afternoon,

Horizon's determination is below for the RFP Rate Analysis: Public Utilities Rate Evaluation & Financial Services.

Very Respectfully,

B. Paige Ramsey, MSPM

From: Matt Loehman <mloehman@horizonsofnewmexico.org>

Sent: Friday, February 28, 2025 3:41 PM

To: RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov>

Cc: MONROE, CARLA D. <cdmonroe@santafenm.gov>

Subject: Re: Determination Request If Services are Provided by Horizons

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Good afternoon -

Thank you very much for the opportunity, but we will decline this procurement.

Best regards,

Matt

Matt Loehman
Executive Director

Horizons of New Mexico
6121 Indian School Rd. NE, Suite 220
Albuquerque, NM 87110

office phone: (505) 345-1540

email: mloehman@horizonsofnewmexico.org

web: www.horizonsofnewmexico.org

The State Use Act helps people with disabilities become gainfully employed, and it saves you valuable time and resources otherwise used during the procurement process.

On Fri, Feb 28, 2025 at 1:39 PM RAMSEY, BRILLYANCE P. Contractor PUD <bpramsey@santafenm.gov> wrote:

Hello,

Please provide a determination if Horizon provides services related to the Scope of Work Below. Please provide a written response.

REQUEST FOR PROPOSALS (RFP): Public Utilities Rate Evaluation & Financial Services:

1. DETAILED SCOPE OF WORK

The basic tasks that the consultant will be expected to accomplish for the project are, but not limited to, the following items:

The consultant shall submit a work plan, expanding detail on the work items listed below, describing its approach to the project, along with a schedule, to indicate how the work will be accomplished. This work plan should be prepared such that it can be incorporated, with only minor modifications, as Exhibit 'A', Further Description of Basic Services, in any eventual professional services agreement.

1. COMPREHENSIVE WATER DIVISION, WASTEWATER DIVISION AND ENVIRONMENTAL SERVICES DIVISION (SOLID WASTE) FINANCIAL PLANS

Evaluate and update as necessary the current Financial Plans comparing starting cash balances, projected revenues and revenue requirements over the forecast period. Analyze each division's operating and capital plan needs. Present update to the Public Utilities Committee and City Council.

2. DOCUMENTATION AND REPORTING

The Consultant shall provide the City with thorough documentation in support of the analysis, City Council study sessions and shall present the study findings to the City Council upon substantial completion of the scope of work. The City shall be provided with a reasonable number of copies of the written report, and all presentation materials upon request.

3. MEETINGS

The Consultant will need to meet with staff on several occasions during the course of work. In addition to the staff meetings, the Consultant shall attend the following meetings for each of the (3) three divisions and shall

indicate exactly who on the Consultant's project team will attend these meetings:

1. Financial Update Kickoff meeting
2. Current Financial Plan update meeting with Wastewater, Environmental Services and Water Divisions.
3. Cost of Service update meeting with Wastewater, Environmental Services and Water Divisions.
4. Public Utilities Committee meeting and Finance Committee meeting.
5. City Council Presentation

4. RATE MODEL SUPPORT FINANCIAL ON-CALL CONTRACT

The Consultant shall provide rate model updates, rate financial forecasts and rate model maintenance as requested by the City using generally accepted utility

ratemaking methodologies and applicable New Mexico and Federal law. Work shall be initiated by a City work order and shall be based on hourly rates and required Consultant time to complete the tasks identified in the City work order.

1. *Rate Model Work Orders* – The Consultant shall perform work identified in individually approved City work orders including, but not limited to: Annual revenue forecast support and rate model maintenance based on updated assumptions and governing body directives.
2. *Collection of needed information* – The Consultant shall provide the City with a data request that will outline information needed to evaluate the City work order.
3. *Evaluate effects of City work order* – The Consultant shall use information available from the utility billing system and the existing financial plan to evaluate the effects of the scope of work identified in the City work order.
4. *Calculate the revenue impacts* – The Consultant shall use information available from the existing financial plan to determine the revenue impacts.
5. *Document results* – The Consultant shall document the results of the analysis in a memorandum that shall be provided to the City along with all work papers, computer model outputs or other supporting information. Work orders may require presentation at City Committees or City Council.

5. UTILITY COST-OF-SERVICE STUDY (Water, Wastewater and Environmental Services- Solid Waste)

The Consultant shall collect the necessary data/information and make the necessary efforts to calculate and update the utility user charges (i.e. rates) for the City using generally accepted utility ratemaking methodologies as described by the American Water Works Association, Manual M1 (Manual M1 describes the methods for developing water rates and charges).

1. *Collection of needed information* - The Consultant shall provide the City with data requests outlining information needed to calculate the utility user charges.
 2. *Calculate the revenue requirements* – The Consultant shall use information available from the existing financial plan to determine the revenue requirements.
 3. *Allocate revenue requirements in a cost-of-service study* – The Consultant shall allocate revenue requirements to the City’s various customer classes using generally accepted cost-of-service allocation techniques.
 4. *Develop recommendations for updating existing utility rates* – The Consultant shall work with the City to update the existing rates based on the findings of the cost-of-service allocation described above.
6. ON CALL FINANCIAL SERVICES (Water, Wastewater and Environmental Services – Solid Waste)

The Consultant shall provide On Call Financial Services as requested for the City. Work shall be initiated by a City work order and shall be based on hourly rates and the tasks identified in the City work order.

Thank you in advance for your assistance.

Very Respectfully,

B. Paige Ramsey, MSPM



City of Santa Fe, New Mexico

200 Lincoln Avenue, P.O. Box 909, Santa Fe, N.M. 87504-0909

www.santafenm.gov

Alan Webber, Mayor

Councilors:

Signe I. Lindell, Mayor Pro Tem, District 1

Alma G. Castro, District 1

Michael J. Garcia, District 2

Carol Romero-Wirth, District 2

Lee Garcia, District 3

Pilar F.H. Faulkner, District 3

Jamie Cassutt, District 4

Amanda Chavez, District 4

Dear City Staff,

In accordance with State Statute and City Ordinances, this document serves as a blanket services' determination and is valid until June 30, 2025, for the types of general, professional, and construction services that are clearly one of the types pre-established and approved by the State Purchasing Agent and City CPO.

Please continue to obtain determinations for services that do not clearly and fully fit within the types listed below. For mixed or hybrid services, unclear scopes of work, and design-build projects, a specific determination will be required. In these cases, please email purchasing_det@santafenm.gov to obtain the necessary CPO determinations for your procurement needs.

Should you have any questions or require clarification on a particular service, feel free to contact CPD.

The following are General Services:

- Air/bus, vehicle charter/rental service
- Auctioneers
- Audio-visual equipment setup and routine maintenance for events and presentations (including projectors, microphones, and speakers)
- Banking Services (routine, transaction-based)
- Boiler testing/water treatment service
- Bookkeeping service (routine, transaction-based)
- Building alarm systems, service and repair
- Check collection service
- Clothing, textile fabrication repair service
- Commercial laundry service, dry cleaning, etc.
- Communications systems installation, servicing, and repair
- Conference and trade show coordination

General Services (continued):

- Debt collection service
- Delivery/courier service
- Document storage, duplication, retrieval, review, and destruction service
- Drug testing and screening (standard tests)
- Engraving service
- Equipment installation, preventive maintenance, inspection, calibration, and repair
- Equipment rental services
- Exams administration and scoring service
- Executive recruitment
- Firefighting/suppression service
- Food preparation, vending, and catering services
- Health screening, basic diagnostic (wellness, blood pressure monitoring, blood draw, etc.)
- Herbicide application service
- Household goods packing, storage, transportation service
- HVAC system maintenance service
- Information Technology Hosting (only)
- Information Technology Help Desk Services
- Information Technology Services requiring software or equipment
- Information Technology Software and Hardware Support Services
- Interpretive services: written/oral/sign language
- Inventory service
- Janitorial service, carpet cleaning, window washing
- Laboratory testing and analysis (standard tests only)
- Land clearing/debris removal service
- Landscaping—tree planting, grooming service, lawn mowing, etc. (but not landscape architects)
- Language translation service
- Linen rental service
- Marine equipment inspection, certification, and repair

General Services (continued):

- Medical equipment rental or repair service (wheelchairs, walkers, etc.), including measurements, adjustments, and modifications to meet patient needs
- Metal/pipe/wiring detection service
- Office furnishings installation, refurbishment, and repair service
- Package inspection and crating
- Painting service
- Paper shredding
- Parking lot sweeping/snow removal service
- Pest/weed control service
- Photographic/micrographic processing and delivery, includes aerial and ground photography (if analysis is included, then personal service)

Printing/duplicating service

- Process serving
- Property management (rent collection, property maintenance, etc.)
- Recycling/disposal/litter pickup service
- Retreat and workshop planning, conduct, coordination, etc.
- Security/armored car services
- Shop welding/metal fabrication service
- Software as a Service
- Steam cleaning, high pressure washing, parts cleaning service
- Studio photography service (does not include portrait painting)
- Telephone interview service (conduct of survey using prescribed survey instrument)
- Towing service
- Training – when offered as a regular course by an institution (such as a college or university)
- Travel service — air, surface, water
- Vehicle inspection, lubricating, and repair services
- Videotaping and recording service
- Warehouse dry/cold storage rental service
- Weather information service

The following are Professional Services:

- Accountants (certified public accountants and registered public accountants)
- Actuaries
- Analysts of processes, programs, fiscal impact, and compliance
- Appraisers
- Archeologists
- Architects
- Artwork, original (services creating the artwork)
- Audio/video media productions (design, development, and/or oversight of)
- Auditors
- Broadband
- Business process re-engineering
- Counselors
- Consultants (including IT Consultants)
- Curriculum/Examination development
- Data Backup Services
- Data Storage and Management Services
- Design
- Economists
- Engineers
- Environmental monitoring: noise level, safety, hazardous gas detection, radiation monitoring service, etc.
- Financial Advisors
- Grant writing
- Graphic designers (creative or original in nature)
- Independent Verification and Validation
- Information Technology Hosting when it includes Maintenance and Support
- Information Technology Maintenance
- Information Technology Management

Professional Services (Continued):

- Information Technology Programming
- Information Technology Risk Assessment
- Insurance Adjusters
- Investigators (personnel-related, etc.)
- Investment advisors and management
- Labor negotiators
- Landscape Architects
- Lawyers
- Lobbyists
- Managed Network Services
- Management and system analysts
- Management consultants
- Marketing consultants (including identifying market opportunities, conduct of marketing programs, planning, promotion, market research surveys, etc.)
- Medical arts practitioners
- Network Cybersecurity Services
- Network Installation
- Planners
- Policy Advisors
- Product Development Services
- Program/Project Managers
- Psychologists
- Public relations advisors/Publicists
- Publication development (creation of audio/video productions, brochures, pamphlets, maps, signs, posters, annual reports, etc.)
- Researchers
- Scientists (Bio/Chem/Env/Geo/Hydro/Mech, etc.)
- Speech writers
- Statisticians

Professional Services (Continued):

- Surveyors
- Trade developers
- Training – when it is specifically designed for an agency as opposed to established courses (such as out of the box training offered to all at a training company, university, or college)
- Web design and development

The following are Construction Services:

- Bid-Build (Standard)
- Construction Managers
- New Construction (including buildings, roads, bridges, utilities)
- Remodeling and Renovations (interior and exterior work)
- Demolition (including site clearance)
- Excavation and Earthwork
- Electrical Work (installation, repair, upgrades)
- Permanent installation or upgrades of audio-visual systems (including wiring and structural modifications)
- Plumbing (installation, repair, maintenance)
- Masonry and Concrete Work
- Roofing (installation, repair, maintenance)
- Structural Repair and Reinforcement
- Painting and Finishing (for construction purposes)
- Mechanical Work (HVAC systems, etc.)
- Site Preparation and Land Grading
- Utility Installation and Repair (water, sewer, gas lines)

Travis Dutton-Leyda, Chief Procurement Officer

Date: _____

Emily Oster, Finance Director

Date: _____

Signature:

Email:

Valli_General_Services_Contract_4_25_25 (1)- agreement draft 2

Interim Agreement Report


2025-06-11


Created:	2025-06-11
By:	Amanda Britt (apbritt@santafenm.gov)
Status:	Out for Signature
Transaction ID:	CBJCHBCAABAAfspQadnop5xh00Z0c2GW0t-NrfEqkoCA

Agreement History

Agreement history is the list of the events that have impacted the status of the agreement prior to the final signature. A final audit report will be generated when the agreement is complete.

"Valli_General_Services_Contract_4_25_25 (1)-agreement draft 2" History

 Document created by Amanda Britt (apbritt@santafenm.gov)
2025-06-11 - 10:14:46 PM GMT- IP address: 63.232.20.2

 Document emailed to scmartinez@santafenm.gov for signature
2025-06-11 - 10:16:08 PM GMT