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| <p>STRATEGIC<br/>PURCHASING<br/>DIVISION</p> | <p><b>CITY OF HOUSTON, TEXAS</b><br/> <b>NOTICE OF REQUEST FOR PROPOSAL (RFP)</b><br/> <b>SOLICITATION NO.: S37-T24571</b></p> | <p><i>"PARTNERING TO<br/> BETTER SERVE<br/> HOUSTON"</i></p> |
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**NIGP CODE:** 946-11

**SOLICITATION DUE DATE/TIME:** July 25, 2013 at 2:00 P.M., CST

**SUBMITTAL LOCATION:** City Secretary's Office  
City Hall Annex, Public Level  
900 Bagby Street  
Houston, Texas 77002

**DESCRIPTION:** 457 Deferred Compensation Third Party  
Administration Services for the Finance Department

|   |   |             |             |            |            |   |                 |   |
|---|---|-------------|-------------|------------|------------|---|-----------------|---|
| <b>PRE-PROPOSAL CONFERENCE:</b>   | <table border="0"> <tr> <td><i>Date</i></td> <td><i>Time</i></td> </tr> <tr> <td>07-08-2013</td> <td>10:00 A.M.</td> </tr> </table> | <i>Date</i> | <i>Time</i> | 07-08-2013 | 10:00 A.M. | <table border="0"> <tr> <td><i>Location</i></td> </tr> <tr> <td>SPD, 901 Bagby,<br/> Conference Rm. 1<br/> (Tunnel Level), Houston,<br/> TX 77002</td> </tr> </table> | <i>Location</i> | SPD, 901 Bagby,<br>Conference Rm. 1<br>(Tunnel Level), Houston,<br>TX 77002 |
| <i>Date</i>   | <i>Time</i>   |             |             |            |            |   |                 |   |
| 07-08-2013  | 10:00 A.M.  |             |             |            |            |   |                 |   |
| <i>Location</i>   |   |             |             |            |            |   |                 |   |
| SPD, 901 Bagby,<br>Conference Rm. 1<br>(Tunnel Level), Houston,<br>TX 77002 |   |             |             |            |            |   |                 |   |

In accordance with T.L.G.C. § Chapter 252, competitive sealed Proposals for the services specified will be received by the City Secretary's Office of the City of Houston at the above specified location, until the time and date cited. Offers must be in the actual possession of the City Secretary's Office on or prior to the time and date, and at the location indicated above. Late offers will not be considered.

Offers must be submitted in a sealed envelope or package with the Solicitation Number and the Offeror's name and address clearly indicated on the envelope or package. All offers must be completed in ink or typewritten. Additional instructions for preparing an offer are included in this Solicitation.

**OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION**

**Solicitation Contact Person:**  
**Joyce Hays**

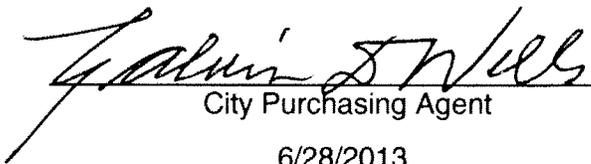
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Name

**joyce.hays@houstontx.gov**

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E-Mail Address



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City Purchasing Agent

6/28/2013

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Date

**SPECIAL INSTRUCTIONS TO OFFEROR(S)**  
**SOLICITATION NO. S37-T24571**

**1.0 SUBMITTAL PROCEDURE:**

- 1.1 **Nine (9)** bound copies of the Proposal, including one (1) printed original signed in BLUE ink, and **nine (9)** electronic copies are to be submitted in a sealed envelope bearing the assigned Solicitation Number, located on the first page of the RFP document to:

City Secretary's Office  
City Hall Annex  
900 Bagby  
Houston, Texas 77002

- 1.2 The deadline for the submittal of the Proposal to the City Secretary's Office is no later than the date and time as indicated on the first page of the RFP document. Failure to submit the required number of copies as stated above may be subject for disqualification from the Proposal process.
- 1.3 Respondents may elect to either mail or personally deliver their Proposals to the City Secretary's Office.
- 1.4 The City of Houston shall bear no responsibility for submitting responses on behalf of any Offeror. Offeror(s) may submit their Proposal to the City Secretary's Office any time prior to the stated deadline.

**2.0 PROPOSAL FORMAT:**

- 2.1 The Proposal should be electronically generated, and the printed original signed in ink. They should not be submitted in elaborate or expensive binders. Legibility, clarity, and completeness are important and essential.
- 2.2 The Proposal must be signed by an individual(s) legally authorized to bind the Offeror(s), and must contain a statement that the Proposal and the prices contained therein shall remain firm for a period of one hundred-eighty (180) days.

**3.0 PRE-PROPOSAL CONFERENCE:**

- 3.1 A Pre-Proposal Conference will be held at the date, time, and location as indicated on the first page of the RFP document. Interested Offeror(s) should plan to attend. It will be assumed that potential Offeror(s) attending this meeting have reviewed the RFP in detail, and are prepared to bring up any substantive questions not already addressed by the City.

**4.0 ADDITIONAL INFORMATION AND SPECIFICATION CHANGES:**

- 4.1 Requests for additional information and questions should be addressed to the Administration and Regulatory Affairs Department, Strategic Purchasing Division Buyer, Joyce Hays, telephone: 832.393.8723, fax: 832.393.8759, or e-mail (preferred method to): joyce.hays@houstontx.gov, no later than Thursday, July 11, 2013 at 11:00 a.m. CST. The City of Houston shall provide written response to all questions received in writing before the submittal deadline. Questions received from all Offeror(s) shall be answered and sent to all Offeror(s) who are listed as having obtained the RFP. Offeror(s) shall be notified in writing of any changes in the specifications contained in this RFP.

**5.0 LETTER(S) OF CLARIFICATION:**

- 5.1 All Letters of Clarification and interpretations to this Solicitation shall be in writing. Any Letter of Clarification(s) or interpretation that is not in writing shall not legally bind the City of Houston. Only information supplied by the City of Houston in writing or in this RFP should be used in preparing Proposal responses.
- 5.2 The City does not assume responsibility for the receipt of any Letters of Clarification sent to Offeror(s).

**6.0 EXAMINATION OF DOCUMENTS AND REQUIREMENTS:**

- 6.1 Each Offeror shall carefully examine all RFP documents and thoroughly familiarize themselves with all requirements prior to submitting a Proposal to ensure that the Proposal meets the intent of this RFP.

**SPECIAL INSTRUCTIONS TO OFFEROR(S)**  
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6.2 Before submitting a Proposal, each Offeror shall be responsible for making all investigations and examinations that are necessary to ascertain conditions and requirements affecting the requirements of this RFP. Failure to make such investigations and examinations shall not relieve the Offeror from obligation to comply, in every detail, with all provisions and requirements of the RFP.

**7.0 EXCEPTIONS TO TERMS AND CONDITIONS:**

7.1 All exceptions included with the Proposal shall be submitted in a clearly identified separate section of the Proposal in which the Offeror clearly cites the specific paragraphs within the RFP where the Exceptions occur. Any Exceptions not included in such a section shall be without force and effect in any resulting contract unless such Exception is specifically referenced by the City Purchasing Agent, City Attorney, Director(s) or designee in a written statement. The Offeror's preprinted or standard terms will not be considered by the City as a part of any resulting contract.

7.2 All Exceptions that are contained in the Proposal may negatively affect the City's Proposal evaluation based on the evaluation criteria as stated in the RFP, or result in possible rejection of Proposal.

**8.0 POST-PROPOSAL DISCUSSIONS WITH OFFEROR(S):**

8.1 It is the City's intent to commence final negotiation with the Offeror(s) deemed most advantageous to the City. The City reserves the right to conduct post-Proposal discussions with any Offeror(s).

**9.0 PROTEST:**

9.1 A protest shall comply with and be resolved, according to the City of Houston Procurement Manual [http://purchasing.houstontx.gov/docs/Procurement\\_Manual.pdf](http://purchasing.houstontx.gov/docs/Procurement_Manual.pdf) and rules adopted thereunder. Protests shall be submitted in writing and filed with both, the City Attorney and the Solicitation contact person. A pre-award protest of the RFP shall be received five (5) days prior to the solicitation due date and a post-award protest shall be filed within five (5) days after City Council approval of the contract award.

9.2 A protest shall include the following:

9.2.1 The name, address, e-mail, and telephone number of the protester;

9.2.2 The signature of the protester or its representative who has the delegated authority to legally bind its company;

9.2.3 Identification of the RFP description and the RFP or contract number;

9.2.4 A detailed written statement of the legal and factual grounds of the protest, including copies of relevant documents, etc.; and

9.2.5 The desired form of relief or outcome, which the protester is seeking.

**10.0 QUIET PERIOD/NO CONTACT:**

10.1 Starting on the date proposals to an RFP (or bids to an ITB) are due and expiring on the date the City Secretary publicly posts notice of any City Council agenda containing the applicable award ("Quiet Period"), actual and prospective respondents or bidders (including their representatives or persons acting on their behalf) are prohibited from contacting members of City Council or any City employees other than the contracting officer, in any manner regarding the issued RFP or ITB. Actual and prospective respondents or bidders include those respondents or bidders who have received notice that they have not been chosen as finalists for any solicitation. Actual and prospective respondents or bidders (including their representatives or persons acting on their behalf) are expressly prohibited from offering, presenting or promising gratuities, favors, or anything of value to any member of an evaluation committee or any appointed or elected official or employee of the City of Houston, their families or staff members.

**SPECIAL INSTRUCTIONS TO OFFEROR(S)**  
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- 10.2 Notwithstanding the foregoing, the following types of communication only are exempt and shall be permitted by respondents and bidders during the Quiet Period:
  - 10.2.1 Respondent's formal response to the RFP;
  - 10.2.2 Communications publically made during the official pre-bid conference;
  - 10.2.3 Written requests for clarification during the period officially designated for such purpose by the contracting officer; and
  - 10.2.4 Communications during an oral interview, scheduled at the request of and for the benefit of the City's evaluation committee, if any.
- 10.3 During the Quiet Period, the solicitation contact person shall serve as the sole point of contact for any actual or prospective respondents. Nothing in this section shall prevent the respondent from making public statements to the City Council after the Quiet Period.
- 10.4 As part of their bid or RFP responses, respondents or bidders shall attest that they understand and agree not to contact any members of City Council or City employees—other than the solicitation contact person—during the Quiet Period and acknowledge that any such contact shall be grounds for disqualification from the bid or RFP process.

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**UNIFORM INSTRUCTIONS TO OFFEROR(S)**  
**SOLICITATION NO. S37-T24571**

- 1.0 This RFP does not commit the City of Houston to award a contract, issue a purchase order, or to pay any costs incurred in the preparation of a Proposal in response to this request.
- 2.0 The Proposals will become part of the City's official files without any obligation on the City's part. All Responses shall be held confidential from all parties other than the City until after the contract is awarded. Afterward, the Proposals shall be available to the public.
- 3.0 The City of Houston shall not be held accountable if material from responses is obtained without the written consent of the Offeror by parties other than the City, at any time during the Proposal evaluation process.
- 4.0 In the event an Offeror submits trade secret information to the City, the information must be clearly labeled as a "**Trade Secret.**" The City will maintain the confidentiality of such trade secrets to the extent provided by law.
- 5.0 Offeror(s) shall not offer any gratuities, favors, or anything of monetary value to any official or employee of the City of Houston (including any and all members of Proposal evaluation committees).
- 6.0 Offeror(s) shall not collude in any manner, or engage in any practices, with any other Offeror(s), which may restrict or eliminate competition, or otherwise restrain trade. This is not intended to preclude subcontracts and joint ventures for the purposes of: a) responding to this RFP; or b) establishing a project team with the required experience and/or capability to provide the goods or services specified herein. Conversely, the City can combine or consolidate Proposals, or portions thereof, for the purposes mentioned above.
- 7.0 All Proposals submitted must be the original work product of the Offeror. The copying or paraphrasing of the work product of another Offeror is not permitted.
- 8.0 The RFP and the related responses of the selected Offeror will by reference (within either a contract or purchase order) become part of any formal Agreement between the selected Offeror and the City. The City and the selected Offeror may negotiate a Contract or contracts for submission to City Council for consideration and approval. In the event an Agreement cannot be reached with the selected Offeror, the City reserves the right to select an alternative Offeror. The City reserves the right to negotiate with alternative Offeror the exact terms and conditions of the contract.
- 9.0 Offeror(s), their authorized representatives and their agents are responsible for obtaining, and will be deemed to have, full knowledge of the conditions, requirements, and specifications of the RFP at the time a Proposal is submitted to the City.
- 10.0 The Agreement(s) shall become effective on or about **January 1, 2014** for a term of three (3) years. The City of Houston reserves the option of extending the Agreement(s) on an annual basis for two (2) additional one-year terms, or portions thereof.
- 11.0 If necessary for the completion of tasks required under the project, the City will provide reasonable working space to the Prime Contractor.
- 12.0 Clerical support and reproduction of documentation costs shall be the responsibility of the Prime Contractor. If required, such support and costs shall be defined in the negotiated Agreement.
- 13.0 Prime Contractor personnel essential to the continuity, and the successful and timely completion of the project should be available for the duration of the project unless substitutions are approved in writing by the City Project Director.
- 14.0 The Prime Contractor will be expected to adhere to all standard contractual requirements of the City which shall include, but are not limited to, provisions for: Time Extensions; Appropriation of Available Funds; Approvals; Term and Termination; Independent Contractor; Business Structure and Assignments; Subcontractors; Parties in Interest; Non-Waiver; Applicable Laws; Notices; Use of Work Products; Equal Employment Opportunity; Force Majeure; and Inspections and Audits.

**UNIFORM INSTRUCTIONS TO OFFEROR(S)**  
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- 15.0 The City may terminate its performance under a contract in the event of a default by the Prime Contractor and a failure to cure such default after receiving notice of default from the City. Default may result from the Prime Contractor's failure to perform under the terms of the contract or from the Prime Contractor becoming insolvent, having a substantial portion of its assets assessed for the benefit of creditors, or having a receiver or trustee appointed.
- 16.0 Prime Contractor must promptly report to the City Project Director any conditions, transactions, situation, or circumstances encountered by the Prime Contractor which would impede or impair the proper and timely performance of the contract.
- 17.0 The City of Houston has sole discretion and reserves the right to cancel this RFP, or to reject any or all Proposals received prior to contract award.
- 18.0 The City reserves the right to waive any minor informality concerning this RFP, or to reject any or all Proposals or any part thereof.
- 19.0 The City reserves the right to request clarity of any Proposal after they have been received.
- 20.0 The City reserves the right to select elements from different individual Proposals and to combine and consolidate them in any way that best serves the City's interest. The City reserves the right to reduce the scope of the project and evaluate only the remaining elements from all Proposals. The City reserves the right to reject specific elements contained in all Proposals and to complete the evaluation process based only on the remaining items.
- 21.0 The selected Offeror(s) must furnish a "Certificate of Registration" which authorizes them to conduct business in the State of Texas prior to the awarding of the contract. Such Registration is obtained from the Texas Secretary of State's Office, which will also provide the certification thereof.
- 22.0 After contract execution, the successful Offeror shall be the Prime Contractor and responsible party for contracting and communicating the work to be performed to subcontractors, and for channeling other information between the City and subcontractors. Any subcontracting must be specified in the Proposal. Any subcontracting not specified in the Proposal will need prior written approval from the City Purchasing Agent.
- 23.0 Prime Contractor assumes total responsibility for the quality and quantity of all work performed, whether it is undertaken by the Prime Contractor or is subcontracted to another organization.
- 24.0 If subcontractor involvement is required in the use of license, patent, or proprietary process, the Prime Contractor is responsible for obtaining written authorization from the subcontractor to use the process, or provide another process comparable to that which is required and which is acceptable to the City, all at no additional cost or liability to the City.

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**GENERAL TERMS AND CONDITIONS**  
**SOLICITATION NO.: S37-T24571**

**1.0 INDEMNITY AND RELEASE:**

**1.1 RELEASE**

PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

**1.2 INDEMNIFICATION**

PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- 1.2.1 PRIME CONTRACTOR/SUPPLIERS AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1.1-1.3, "PRIME CONTRACTOR/SUPPLIER") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
- 1.2.2 THE CITY'S AND PRIME CONTRACTOR/SUPPLIER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER PRIME CONTRACTOR/SUPPLIER IS IMMUNE FROM LIABILITY OR NOT; AND
- 1.2.3 THE CITY'S AND PRIME CONTRACTOR/SUPPLIER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER PRIME CONTRACTOR/SUPPLIER IS IMMUNE FROM LIABILITY OR NOT.
- 1.2.4 PRIME CONTRACTOR/SUPPLIER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. PRIME CONTRACTOR/SUPPLIER'S INDEMNIFICATION IS LIMITED TO \$500,000 PER OCCURRENCE. PRIME CONTRACTOR/SUPPLIER SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.
- 1.2.5 CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE CITY) FROM ALL CLAIMS OR CAUSES OF ACTION BROUGHT AGAINST THE CITY ALLEGING THAT THE CITY'S USE OF ANY EQUIPMENT, SOFTWARE, PROCESS, OR DOCUMENTS CONTRACTOR FURNISHES DURING THE TERM OF THIS AGREEMENT INFRINGES ON A PATENT, COPYRIGHT, OR TRADEMARK, OR MISAPPROPRIATES A TRADE SECRET. CONTRACTOR SHALL PAY ALL COSTS (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS, AND INTEREST) AND DAMAGES AWARDED. CONTRACTOR SHALL NOT SETTLE ANY CLAIM ON TERMS WHICH PREVENT THE CITY FROM USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS WITHOUT THE CITY'S PRIOR WRITTEN CONSENT. WITHIN 60 DAYS AFTER BEING NOTIFIED OF THE CLAIM, CONTRACTOR SHALL, AT ITS OWN EXPENSE, EITHER (1) OBTAIN FOR THE CITY THE RIGHT TO CONTINUE USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS OR, (2) IF BOTH PARTIES AGREE, REPLACE OR MODIFY THEM WITH COMPATIBLE AND FUNCTIONALLY EQUIVALENT PRODUCTS. IF NONE OF THESE ALTERNATIVES IS REASONABLY AVAILABLE, THE CITY MAY RETURN THE EQUIPMENT, SOFTWARE, OR DOCUMENTS, OR DISCONTINUE THE PROCESS, AND CONTRACTOR SHALL REFUND THE PURCHASE PRICE.

# GENERAL TERMS AND CONDITIONS

## SOLICITATION NO.: S37-T24571

### 1.3 INDEMNIFICATION-SUBCONTRACTOR'S INDEMNITY

1.3.1 CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

### 2.0 INDEMNIFICATION PROCEDURES:

2.1 Notice of Claims. If the City or Prime Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 30 days. The notice must include the following:

2.1.1 a description of the indemnification event in reasonable detail,

2.1.2 the basis on which indemnification may be due, and

2.1.3 the anticipated amount of the indemnified loss.

2.2 This notice does not stop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 30-day period, it does not waive any right to indemnification except to the extent that Prime Contractor/Supplier is prejudiced, suffers loss, or incurs expense because of the delay.

2.3 Defense of Claims.

2.3.1 Assumption of Defense. Prime Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Prime Contractor/Supplier shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Prime Contractor must advise the City as to whether or not it will defend the claim. If Prime Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.

2.3.2 Continued Participation. If Prime Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Prime Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Prime Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

### 3.0 INSURANCE REQUIREMENTS:

3.1 The Contractor shall obtain and maintain in effect during the term of this Agreement, insurance coverage as set forth below and shall furnish certificates of insurance showing the City as an additional insured, in duplicate form, prior to the beginning of the Contract. The City shall be named as an additional insured on all such policies except Professional Liability and Workers' Compensation, must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under the Agreement. **The issuer of any policy shall have a Certificate of Authority to transact insurance business in the State of Texas or have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition of Best's Key Rating Guide, Property-Casualty United States.**

3.2 Comprehensive General Liability including Contractual Liability and Automobile Liability insurance shall be in at least the following amounts:

**GENERAL TERMS AND CONDITIONS**  
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3.2.1 Commercial General Liability Insurance including Contractual Liability:

3.2.1.1 \$500,000 per occurrence

3.2.1.2 \$1,000,000 aggregate, (defense costs excluded from face value of the policy)

3.2.2 Workers' Compensation:

3.2.2.1 Amount shall be statutory amount

3.2.2.2 **Employer's Liability cannot be used as a substitute for Workers' Compensation**

3.2.3 Automobile Liability (See Note Below):

\$1,000,000 Combined Single Limit per occurrence

Defense costs are excluded from the face amount of the policy. Aggregate Limits are per 12-month policy period unless otherwise indicated.

3.2.4 Employer's Liability:

3.2.4.1 Bodily injury by accident \$100,000 (each accident)

3.2.4.2 Bodily injury by disease \$100,000 (policy limit)

3.2.4.3 Bodily injury by disease \$100,000 (each employee)

3.2.5 Professional Liability

3.2.5.1 \$1,000,000 per occurrence \$1,000,000 aggregate

3.3 Automobile liability insurance for autos furnished or used in the course of performance of this contract including Owned, Non-owned and Hired Auto coverage (Any Auto coverage may be substituted for Owned, Non-owned and Hired Auto coverage.) If no autos are owned by the Contractor, coverage may be limited to Non-owned and Hired Autos. If Owned Auto coverage cannot be purchased by Contractor, Scheduled Auto coverage may be substituted for Owned Auto coverage. EACH AUTO USED IN PERFORMANCE OF THIS CONTRACT MUST BE COVERED IN THE LIMITS SPECIFIED.

3.4 If the City of Houston requires you to maintain in effect insurance coverage during the term of a contract resulting from the City's acceptance of your response to this request for proposal ("potential contract"), all of your insurance policies must require on their face, or by endorsement, that your insurance carrier waives any rights of subrogation against the City of Houston except for Professional Liability insurance. You must give 30-days' written notice to the City Purchasing Agent if any of your insurance policies are to be cancelled, materially changed, or not renewed. Within this 30-day period, you shall provide other suitable policies in lieu of those about to be canceled, materially changed, or not renewed so as to maintain in effect the required coverage. If you do not comply with this requirement, the Purchasing Agent, at his or her sole discretion, may: (1) immediately suspend you from any further performance under the potential contract and begin procedures to terminate for default, or (2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to you under the potential contract.

3.5 If any part of the work is sublet, similar insurance shall be provided by or in behalf of the Subcontractor to cover their operations, and the Contractor shall furnish evidence of such insurance, satisfactory to the City. In the event a Subcontractor is unable to furnish insurance in the limits required under the contract, the Contractor shall endorse the Subcontractor as an Additional Insured on their policies excluding Workers' Compensation and Employer's Liability.

## GENERAL TERMS AND CONDITIONS

### SOLICITATION NO.: S37-T24571

- 3.5.1 (See Insurance Requirements Exhibit for a sample insurance certificate format.)
- 3.5.2 Only unaltered original insurance certificates endorsed by the underwriter are acceptable. Photocopies are unacceptable.
- 3.6 Contractor shall maintain in effect certain insurance coverage, which is described as follows:
- 3.6.1 Form of Policies: The Director may approve the form of the insurance policies, but nothing the Director does or fails to do relieves Contractor from its duties to provide the required coverage under this Agreement. The Director's actions or in-actions do not waive the City's right under this Agreement.
- 3.6.2 Issuers of Policies: The issuer of any policy shall have a Certificate of Authority to transact insurance business in Texas or have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide, Property-Casualty United States.
- 3.6.3 Insured Parties: Each policy, except those for Workers Compensation, Employer's Liability, and Professional Liability, must name the City (and its officers, agents, and employees) as Additional Insured parties on the original policy and all renewals or replacements.
- 3.6.4 Deductibles: Contractor shall be responsible for and bear any claims or losses to the extent of any deductible amounts and waives any claim it may have for the same against the City, its officers, agents, or employees.
- 3.6.5 Cancellation: Each policy must state that it may not be canceled, materially modified, or non-renewed unless the contractor gives the Director 30 days' advance written notice. Contractor shall give written notice to the Director within five days of the date on which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.
- 3.6.6 Subrogation: Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents, or employees, except for Professional Liability insurance.
- 3.6.7 Endorsement of Primary Insurance: Each policy, except Worker's Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under this Agreement.
- 3.6.7.1 All certificates of insurance submitted by Contractor shall be accompanied by endorsements for additional insured coverage in favor of the City for Commercial General Liability and Automobile Liability policies; and waivers of subrogation in favor of the City for Commercial General Liability, Automobile Liability, and Worker's Compensation/Employers' Liability policies. For a list of pre-approved endorsement forms see <http://purchasing.houstontx.gov/forms.shtml>. The Director will consider all other forms on a case-by-case basis.
- 3.6.8 Liability for Premium: Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.
- 3.6.9 Subcontractors: Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting all of the above requirements except amount. The amount must be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Contractor shall provide copies of insurance certificates to the Director.
- 3.6.10 Proof of Insurance: On the effective date and at any time during the Term of this Agreement, Contractor shall furnish the Director with Certificates of Insurance, along with an Affidavit from Contractor confirming that the Certificates accurately reflect the insurance coverage maintained. If requested in writing by the Director, Contractor shall furnish the City with certified copies of Contractor's actual insurance policies.

**GENERAL TERMS AND CONDITIONS**  
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- 3.6.10.1 Contractor shall continuously and without interruption, maintain in force the required insurance coverage's specified in this Section. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or
- 3.6.10.2 Purchase the required insurance with City funds and deducts the cost of the premiums from amounts due to Contractor under this Agreement.
- 3.6.10.3 The City shall never waive or be stopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.
- 3.6.11 Other Insurance: If requested by the Director, Contractor shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Contractor's operations under this Agreement.

**4.0 CONTRACTOR PERFORMANCE LANGUAGE:**

- 4.1 Contractor should make citizen satisfaction a priority in providing services under this contract. Contractor's employees should be trained to be customer-service oriented and to positively and politely interact with citizens when performing contract services. Contractor's employees should be clean, courteous, efficient and neat in appearance at all times and committed to offering the highest degree of service to the public. If, in the Director's determination, the Contractor is not interacting in a positive and polite manner with citizens, the Contractor shall take all remedial steps to conform to the standards set by this contract and is subject to termination for breach of contract.

**5.0 INSPECTIONS AND AUDITS:**

- 5.1 City representatives may have the right to perform, or have performed, (1) audits of Contractor's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Contractor shall keep its books and records available for this purpose for at least three (3) years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

**6.0 INTERPRETING SPECIFICATIONS:**

- 6.1 *The specifications and product references contained herein are intended to be descriptive rather than restrictive. The City is soliciting Proposals to provide a complete product and service package, which meets its overall requirements. Specific equipment and system references may be included in this RFP for guidance, but they are not intended to preclude Offeror(s) from recommending alternative solutions offering comparable or better performance or value to the City. Unless specifically stated otherwise with regard to a specific item of equipment, it should be assumed that the City requires all equipment proposed for this project to be supported by a manufacturer's warranty, which is equal to or better than the prevailing standard in the industry.*
- 6.2 Changes in the specifications, terms and conditions of this RFP will be made in writing by the City prior to the Proposal due date. Results of informal meetings or discussions between a potential Offeror(s) and a City of Houston official or employee may not be used as a basis for deviations from the requirements contained in this RFP.

**7.0 CONTRACTOR DEBT:**

- 7.1 **IF CONTRACTOR, AT ANY TIME DURING THE TERM OF THIS AGREEMENT, INCURS A DEBT, AS THE WORD IS DEFINED IN SECTION 15-122 OF THE HOUSTON CITY CODE OF ORDINANCES, IT SHALL IMMEDIATELY NOTIFY THE CITY CONTROLLER IN WRITING. IF THE CITY CONTROLLER BECOMES AWARE THAT CONTRACTOR HAS INCURRED A DEBT, HE SHALL IMMEDIATELY NOTIFY CONTRACTOR IN WRITING. IF CONTRACTOR DOES NOT PAY THE DEBT WITHIN 30 DAYS OF EITHER SUCH NOTIFICATION, THE CITY CONTROLLER MAY DEDUCT FUNDS IN AN AMOUNT EQUAL TO THE DEBT FROM ANY PAYMENTS OWED TO CONTRACTOR UNDER THIS AGREEMENT, AND CONTRACTOR WAIVES ANY RECOURSE THEREFOR.**

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**8.0 CRIMINAL JUSTICE INFORMATION SERVICES (CJIS) COMPLIANCE (Applicable to Houston Police Department (HPD) Occupied Facilities:**

8.1 The Houston Police Department recognizes that by allowing physical or logical (electronic) access to HPD facilities or network resources, people may gain access to information or systems they are statutorily prohibited from accessing. To comply with state and federal regulations, the Houston Police Department is required to document and investigate access requests to be sure access is necessary and permitted. Bidders/Respondents, therefore, agree to review the Criminal Justice Information Systems (CJIS) process and related documents located at <http://www.houstontx.gov/police/cjis/hpdvendorcertification.htm> and shall comply with the terms and requirements therein.

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**SPECIAL TERMS AND CONDITIONS**  
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**1.0 LOCAL MINORITY/WOMEN BUSINESS ENTERPRISE PARTICIPATION:**

- 1.1 Contractor shall comply with the City's Minority and Women Business Enterprise ("M/WBE") programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Contractor shall make good faith efforts to award subcontracts or Supply Agreements in at least **11%** of the value of this Agreement to M/WBEs. Contractor acknowledges that it has reviewed the requirements for good faith efforts on file with the City's Office of Business Opportunity ("OBO"), and will comply with them.
- 1.2 Contractor shall require written subcontracts with all M/WBE subcontractors and shall submit all disputes with M/WBEs to binding arbitration to be conducted in Houston, Texas, if directed to do so by the OBO Director. M/WBE subcontracts must contain the Terms set out in **Exhibit II**.

**2.0 CITY CONTRACTORS' PAY OR PLAY PROGRAM:**

- 2.1 The requirements and terms of the City of Houston Pay or Play Program, as set out in Executive Order 1-7, are incorporated into this Agreement for all purposes. Contractor has reviewed Executive Order No. 1-7 and shall comply with its Terms and Conditions as they are set out at the time of City Council approval of this Agreement. This provision requires certain Contractors to offer to certain employees a minimal level of health benefits or to contribute a designated amount to be used to offset the costs of providing health care to uninsured people in the Houston/Harris County area. Failure to complete **Exhibit X** "Pay or Play" Acknowledgement Form & Certification of Agreement to Comply with Pay or Play Program may be just cause for rejection of your Proposal.

**3.0 CITY CONTRACTOR OWNERSHIP DISCLOSURE ORDINANCE:**

- 3.1 City Council requires knowledge of the identities of the owners of entities seeking to contract with the City in order to review their indebtedness to the City prior to entering into contracts. Therefore, all respondents to this RFP must comply with Houston Code of Ordinances Chapter 15, as amended (Sections 15-122 through 15-126) relating to the disclosure of owners of entities bidding on, proposing for or receiving City contracts.
- 3.2 Completion of Exhibit VI – "Affidavit of Ownership or Control" will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.

**4.0 CITY OF HOUSTON FAIR CAMPAIGN ORDINANCE:**

- 4.1 The City of Houston Fair Campaign Ordinance makes it unlawful for a Contractor to offer any contribution to a candidate for City elective office. For purposes of this ordinance a contract is defined as any contract for goods or services having a value in excess of \$30,000 or more, regardless of the way by which it was solicited or awarded. **Exhibit V** of this RFP describes the contract and documentation requirements relating to this Ordinance.

**5.0 DRUG DETECTION AND DETERRENCE PROCEDURES FOR CONTRACTORS:**

- 5.1 It is the policy of the City to achieve a drug-free workforce and to provide a workplace that is free from the use of illegal drugs and alcohol. It is also the policy of the City that the manufacture, distribution, dispensation, possession, sale or use of illegal drugs or alcohol by Contractors while on City premises is prohibited. Accordingly, effective September 1, 1994, and pursuant to the Mayor's Executive Order 1-31, as a condition to the award of any contract for labor or services, a successful Offeror(s) must certify to its compliance with this policy. **EXHIBIT VII** contains the standard language, which will be used in each contract for labor or services, as well as the Executive Order 1-31 disclosure and compliance forms (Attachments A, B, and C). These forms must be completed and returned prior to award.

**6.0 HIRE HOUSTON FIRST:**

- 6.1 **Designation as a City Business or Local Business**

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| <b>SPECIAL TERMS AND CONDITIONS</b><br><b>SOLICITATION NO.: S37-T24571</b> |
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6.1.1 To be designated as a City or Local Business for the purposes of the Hire Houston First Program, as set out in Article XI of Chapter 15 of the Houston City Code, a bidder or proposer must submit the **Hire Houston First Application and Affidavit (“HHF Affidavit”)** to the Director of the Mayor’s Office of Business Opportunities and receive notice that the submission has been approved prior to award of a contract. Bidders are encouraged to secure a designation prior to submission of a bid or proposal if at all possible.

6.1.2 **Download the HHF Affidavit** from the Office of Business Opportunities Webpage at the City of Houston e-Government Website at the following location:

<http://www.houstontx.gov/hbsc/hirehoustonfirstaffidavit.pdf>

6.1.3 Submit the completed application forms to: Mayor’s Office of Business Opportunity, One Stop Business Center, 900 Bagby St., Public Level, Houston, TX 77002 or Applications may be submitted via e-mail to [HHF-MOBO@houstontx.gov](mailto:HHF-MOBO@houstontx.gov) or faxed to 832.393.0952 or Applications may be submitted with proposal response.

6.2 **Award of Procurement Pursuant to a Request for Proposal, Best Value Solicitation or Alternative--Pursuant to Chapter 15 of the City Code of Ordinances**

6.2.1 IN EVALUATION OF A PROPOSAL SUBMITTED UNDER ANY OF THE ABOVE PROCUREMENT METHODS, THE CITY SHALL AWARD EXTRA POINTS EQUAL TO

- **THREE PERCENT** OF THE TOTAL EVALUATION POINTS AVAILABLE TO A “LOCAL BUSINESS,” AS DEFINED IN SECTION 15-176 OF THE CITY OF HOUSTON CODE OF ORDINANCES, AND
- **FIVE PERCENT** OF THE TOTAL EVALUATION POINTS AVAILABLE TO A “CITY BUSINESS,” AS DEFINED IN SECTION 15-176 OF THE CITY OF HOUSTON CODE OF ORDINANCES
- UNLESS THE USER DEPARTMENT DETERMINES THAT AN AWARD TO THE LOCAL OR CITY BUSINESS WOULD UNDULY INTERFERE WITH CONTRACT NEEDS, AS PROVIDED IN SECTION 15-181 OF THE CODE.

**7.0 PROJECT ADMINISTRATION:**

7.1 Questions regarding the scope of the project, technical specifications, proposed applications, etc., may be addressed to the project manager at the Pre-Proposal conference.

**8.0 PROCUREMENT TIMELINE/SCHEDULE:**

8.1 Listed below are the important and estimated completion dates and times for this Request for Proposal (RFP).

| <b><u>EVENT</u></b>                                  | <b><u>DATE</u></b> |
|--|--------------------|
| Date RFP Issued                                      | June 28, 2013      |
| Pre-Proposal Conference                              | July 8, 2013       |
| Questions from Proposers Due to City                 | July 11, 2013      |
| Proposals Due from Offeror(s)                        | July 25, 2013      |
| Notification of Intent to Award ( <i>Estimated</i> ) | September 30, 2013 |
| Council Agenda Date ( <i>Estimated</i> )             | November 20, 2013  |
| Contract Start Date ( <i>Estimated</i> )             | January 1, 2014    |

**SPECIFICATIONS / SCOPE OF WORK**  
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## **1.0 INTRODUCTION**

- 1.1 The City is seeking a qualified service provider to provide (a) administration / recordkeeping, (b) investment management, (c) custodial, (d) employee communication and education and (e) investment advisory / managed account / self-directed brokerage services for the City of Houston 457 Deferred Compensation Plan. The services requested are further described in **Appendix A**.
- 1.2 The City of Houston 457 Deferred Compensation Plan (“the Plan”) is a governmental 457(b) deferred compensation plan available to all current full-time and regular part-time employees of the City of Houston. There are approximately **21,000** eligible employees for the Plan and **17,113** participants with account balances. As of **May 31, 2013**, Plan assets total **\$717,057,282.94**. This includes **\$43,410,868.98** in participant loan balances. For more information on Plan demographics and other pertinent Plan statistics, please see **Appendix C**.
- 1.3 The Plan is currently administered and serviced by Great-West Financial (“Great-West”). Participants may select from an investment menu of twenty-two (22) active and passive mutual funds as well as a fixed interest stable value fund (the Houston Fixed). A self-directed brokerage option is also available. For more information about the current investment options, please see **Appendix D**. In addition to the investment options, employees receive educational services from Great-West. Employees have access to Great-West field representatives who may assist them with selecting investments, transferring balances, holistic financial planning and a wide range of education services. Great-West pays for staffs and an office at 1818 Memorial Way #100 and also provides a registered representative at 611 Walker on the 11<sup>th</sup> Floor. Additionally, Great-West also provides and maintains a Plan related website at the URL [www.houstondcp.com](http://www.houstondcp.com).
- 1.4 The current contract with Great West expires on December 31, 2013. Therefore, Proposer must be able to accommodate a **January 1, 2014** implementation date.

## **2.0 RECENT PLAN EVENTS**

- 2.1 The Plan has a Reallowance Account (the City of Houston 457(b) Reallowance Account) from which Plan expenses are paid. In 2012, the City decided to reallocate approximately \$3,000,000 back to participant accounts pro-rata. Effective in the 4<sup>th</sup> quarter 2012, the Plan decided to offer on an opt-out enrollment basis the Advised Assets Group Managed Account Service to all current plan participants. Participants that chose to remain in the advice or managed account service had the fees associated with this service paid for from the Reallowance Account. Also in the 4<sup>th</sup> quarter of 2012, the City opted to pay the \$2.50 quarterly Great-West TPA fee on behalf of all participants on a go-forward basis.

## **3.0 FORMAT OF PROPOSALS**

- 3.1 Each Proposal must contain all of the following documents and must conform to the following requirements.
- 3.2 Proposals should be prepared on “8½ x 11” letter size paper, printed double-sided and bound on the long side. The City encourages using reusable, recycled, recyclable and chlorine-free printed materials for bids, proposals, reports, and other documents prepared in connection with this solicitation. Expensive papers and bindings are discouraged, as no materials will be returned.

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3.3 Sections should be separated by labeled tabs and organized in accordance with subject matter sequence as set forth below.

3.3.1 Cover Letter

3.3.1.1 Proposer must submit a cover letter signed by an authorized representative of its company. The letter must outline the number of years the company has been in business, and must provide an overview of the experience and background of the company and its committed key personnel. The letter must identify the legal name of the company, its headquarters address, its principal place of business, its legal form (i.e. corporation, joint venture, limited partnership, etc.), the names of its principals or partners, whether the Proposer is authorized to do business in the State of Texas. The letter must also indicate the name and telephone number(s) of the principal contact for oral presentation or negotiations. The letter must indicate the Proposer's commitment to provide the work as described in this RFP in accordance with the terms and conditions of any contract awarded pursuant to the RFP process.

3.3.2 Response to the RFP Questionnaire

3.3.2.1 Proposer must provide detailed responses to the RFP questionnaire included in this document as **Attachment A**.

**4.0 MINIMUM QUALIFICATION OF THE PROPOSER**

**4.1 Proposer must meet all of the following minimum qualifications to be given further consideration. If a proposal is submitted by a company that does not satisfy the minimum qualifications it will not be reviewed or considered.**

4.1.1 Proposer must certify that they are a qualified firm to provide administrative services pursuant to Section 457 of the Internal Revenue Code, including all rules and regulations of the City of Houston ("the City") and the State of Texas.

4.1.2 Proposer must offer the following public 457 deferred compensation services – (a) recordkeeping and administration, (b) employee communication and education, (c) investment management, (d) custodial, and (e) managed account/investment advisory/self-directed brokerage.

4.1.3 Proposer must provide a senior representative who can act as the single point of contact, be accountable and serve as an advocate for the City, and meet on a regular basis with the Committee.

4.1.4 Proposer must have at least **ten (10) years** experience in providing the proposed services and products to the public sector 457 deferred compensation plan marketplace.

4.1.5 Proposer must currently (as of the date of the RFP) be administering a minimum of **five (5)** public sector 457 deferred compensation plans of similar size.

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- 4.1.6 Proposer must currently have public sector 457 deferred compensation plans where the total of all plan assets is **\$2 billion** or greater.
- 4.1.7 Proposer must currently have at least **three (3)** public sector 457 deferred compensation plan accounts each with **10,000** or more participants.
- 4.1.8 Proposer must offer a reallocation arrangement by fund to Plan Sponsor, to fully fund all plan level expenses. All excess revenue is to be deposited into a revenue allowance account that may be used by the City to offset plan level expenses.
- 4.1.9 Proposer must have the capability to establish a two-way data interface with the City and to absorb the City's programming costs to accommodate any changes to its payroll, HRIS and other support systems.
- 4.1.10 Proposer must provide resources to support the on-going education of employees. Field service support must be available by **October 1, 2013**. Field service representatives must be employees of the proposer's organization, dedicated to the City and housed in a fully staffed office in / near downtown. Field representatives may not have commission-based compensation. Details of the representative compensation structure must be fully disclosed.

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**ATTACHMENT A**

**RFP**

**QUESTIONNAIRE**

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**INVESTMENT MANAGEMENT SERVICES**

At present, plan participants may select from twenty-two (22) mutual funds, as well as a stable value fund and a self-directed brokerage account. The fund listing may be found in **Appendix D**.

The City of Houston wishes to retain its current investment line up. Proposers will have the flexibility to propose an alternative stable value fund (Houston Fixed). The requirements of the stable value fund are discussed below.

As part of their response, each proposer must complete the chart in **Appendix E**.

1. Please describe the process the City may follow to replace one or more funds in the investment line-up during the contract period. Please confirm that there no cost to change funds. Please also provide an expected timeline for any fund changes.
2. Please describe how your recordkeeping system handles short-term fund redemption fees for funds in the Plan.
3. Please describe the process that will be used to transfer assets from the current record keeper / custodian? If the City maintains the same investment line up (with the exception of the stable value fund), can the mutual funds be re-registered? Please discuss this process in detail.
4. Though the City has indicated that it wishes to retain its current investment line up, it is interested in what is being considered and applied by other governmental entities. Please summarize the investment menu structure being used by your other governmental 457 deferred compensation plan clients. Please detail how this has impacted employee communication and education.

**Stable Value Fund**

The City of Houston Fixed Account is a separate account stable value fund. Proposers may consider retaining this fund, or suggest an alternative separate account product. The proposed alternative should be fully diversified, provide competitive returns with no benefit payment limitations as well as provide attractive liquidation / termination provisions.

**The City of Houston Fixed Account**

**As of March 31, 2013**

|   |                         |
|---|-------------------------|
| <b>Book Value of Assets:</b>                        | <b>\$250.82 million</b> |
| <b>Market Value of Assets</b>                       | <b>\$258.35 million</b> |
| <b>Market-to-Book Value</b>                         | <b>103.6%</b>           |
| <b>Average Life</b>                                 | <b>2.95 years</b>       |
| <b>Average Duration</b>                             | <b>2.23 years</b>       |
| <b>Average Rating (S&amp;P / Moody's / Fitch's)</b> | <b>AA+ / AAA / AAA</b>  |

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*INVESTMENT MANAGEMENT SERVICES*

**Liquidity / termination provisions:**

**Participant:** The participant may transfer any portion of their account balance in the Fund to any other investment option offered by the Plan at any time with no restrictions or penalties.

**Plan sponsor:** 60 days' written notice is required. Upon the date of cessation, the City may elect one of two options. If the City has not elected a cessation option within 30 days, Great-West will make the election in its sole discretion.

(1) Maintenance of each Participant Annuity Account Value

Great-West will maintain each Participant Annuity Account Value until it is applied to a Payment Option or distributed to a Participant or Beneficiary. When such an individual transactions are applied or paid, they will be calculated at the Book Value of the Participant Annuity Account.

(2) Market Value of the Fund

The City must specify either option A or B at the same time it notifies Great-West it is ceasing deposits. Great-West will pay the market value of the Fund within 30 days after the date of cessation of deposits.

(a) Sell all non-cash assets in the account attributable to the terminating contract and convert them to cash assets or short-term money market instruments.

(b) After notification, Great-West will value the separate account on the date of cessation of deposits and transfer the assets of the separate account to the successor insurer.

5. If your firm wishes to propose an alternative separate account stable value fund, please provide the following information:
- a. What is the name of the product and what type of investment is the product?
  - b. Is there a contractually guaranteed minimum interest rate for this account? If so, what is that guaranteed minimum interest rate?
  - c. Will this minimum rate be guaranteed for the life of the contract? If not, what is the guarantee period?
  - d. What is the current interest rate on new deposits? Is this rate a "teaser" rate that is reduced in subsequent quarters?
  - e. What is the guarantee period?
  - f. When does the current interest rate mature?
  - g. When is a new interest rate established?
  - h. What were the historic interest rates / annual returns on this account over each of the last five years?
  - i. Describe your methodology for setting the guaranteed interest rate. Please include frequency the rate is reset.

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**INVESTMENT MANAGEMENT SERVICES**

- j. What happens to the guarantee of current interest and / or guarantee of minimum interest for those assets if your company becomes insolvent?
  - k. What are the provisions / restrictions for a participant to transfer assets from this account to other investment options within the plan's fund lineup?
  - l. What are the provisions / restrictions for a participant to withdraw assets from this account, either for distribution or to transfer to another provider?
  - m. What are the provisions / restrictions for a plan sponsor to transfer assets from this account to an alternate provider at contract discontinuance?
  - n. Please include a copy of the contract with your proposal submission
6. Does your stable value option have a stated credited rate that can be published to participants or does the value change daily?
  7. Are you proposing a liquidation of the current stable value portfolio or will you be taking over the management of the existing securities? Please explain in detail.
  8. If you are planning on liquidating the current stable value fund, please provide details on how any negative market value adjustment can be handled? The goal is to continue to keep all participants at 100% of book value if a new stable value provider is selected.
  9. Please describe any restrictions such as a 90-day equity wash provision for competing investment vehicles.
  10. What's the market-to-book ratio of the proposed product? Will you provide it on a monthly or quarterly basis so the City can better monitor the portfolio?
  11. What's the proposed fund's market value performance versus the appropriate market value benchmark?
  12. Are you using outside sources to value your underlying holdings and are you using the actual current prices of the securities when calculating market value returns and the market-to-book ratio, or are you using some other method or process to determine the market value of the assets you hold in the fund?
  13. How does the fund's book value performance compare with a peer group?
  14. Who are the current wrap issuers of the fund, if applicable?
  15. Do you use GICs or synthetic GICs in the fund? If yes, what yield premium do you require for the lack of liquidity and uncertainty in creditworthiness of many financial institutions? What steps will you take if a GIC issuer's credit- worthiness deteriorates?
  16. Please discuss how book to market valuations work for:
    - a. Participant investment transfers
    - b. Participant benefit payments
    - c. Client termination of your stable value option
  17. Please discuss in detail the liquidation provisions in the event the City elects to discontinue utilizing the proposed stable value fund in the future.
  18. Based on current interest rates, please provide estimated initial investment yields on the stable value fund.
  19. Please describe provisions for any recordkeeping offsets provided by the proposed product? Can recordkeeping offset levels be adjusted at the City's request, as may be needed to meet the revenue requirement of it record keeper?

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**INVESTMENT MANAGEMENT SERVICES**

20. Please provide the following information for your proposed product:

- Portfolio characteristics

| Characteristics                        | Proposed Product | Benchmark |
|--|------------------|-----------|
| # of securities in universe            |                  |           |
| # of securities closely followed       |                  |           |
| # of securities in a typical portfolio |                  |           |
| Average Maturity                       | Years            | Years     |
| Average Effective Duration             | Years            | Years     |
| Average Quality                        |                  |           |
| Minimum Quality                        |                  |           |
| Typical annual turnover rate           |                  |           |

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**INVESTMENT MANAGEMENT SERVICES**

➤ Sector holdings

| Sector Holdings               | 2007 (%) | 2008 (%) | 2009 (%) | 2010 (%) | 2011 (%) | 2012 (%) | Benchmark YTD (%) |
|-------------------------------|----------|----------|----------|----------|----------|----------|-------------------|
| Treasury                      |          |          |          |          |          |          |                   |
| GICS                          |          |          |          |          |          |          |                   |
| Government Related            |          |          |          |          |          |          |                   |
| Agency                        |          |          |          |          |          |          |                   |
| Local Authority               |          |          |          |          |          |          |                   |
| Sovereign                     |          |          |          |          |          |          |                   |
| Supranational                 |          |          |          |          |          |          |                   |
| Corporate                     |          |          |          |          |          |          |                   |
| Industrial                    |          |          |          |          |          |          |                   |
| Utility                       |          |          |          |          |          |          |                   |
| Financial Institutions        |          |          |          |          |          |          |                   |
| Securitized                   |          |          |          |          |          |          |                   |
| Mortgage Pass-through         |          |          |          |          |          |          |                   |
| ABS                           |          |          |          |          |          |          |                   |
| CMS                           |          |          |          |          |          |          |                   |
| High Yield                    |          |          |          |          |          |          |                   |
| Convertible                   |          |          |          |          |          |          |                   |
| Cash & Equivalents            |          |          |          |          |          |          |                   |
| Other (Please describe below) |          |          |          |          |          |          |                   |

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INVESTMENT MANAGEMENT SERVICES

➤ Credit ratings

| Credit Rating      | 2007 (%) | 2008 (%) | 2009 (%) | 2010 (%) | 2011 (%) | 2012 (%) | Benchmark YTD (%) |
|--------------------|----------|----------|----------|----------|----------|----------|-------------------|
| AAA/Aaa            |          |          |          |          |          |          |                   |
| AA/Aa              |          |          |          |          |          |          |                   |
| A                  |          |          |          |          |          |          |                   |
| BBB/Baa            |          |          |          |          |          |          |                   |
| BB/Ba              |          |          |          |          |          |          |                   |
| B/                 |          |          |          |          |          |          |                   |
| CCC                |          |          |          |          |          |          |                   |
| Below CCC          |          |          |          |          |          |          |                   |
| Not Rated          |          |          |          |          |          |          |                   |
| Cash & Equivalents |          |          |          |          |          |          |                   |
| Total              |          |          |          |          |          |          |                   |

21. Provide the business structure and affiliations of the candidate fund manager, including any broker-dealer or custodian relationships.
22. Provide a description of the fund manager's investment style and investment decision-making process.
23. Does the fund manager use a buy-and-hold approach (i.e., individual bonds) in the fund? If yes, how do you benchmark performance versus active management?
24. What are the overall assets and assets in the subject asset class/style under the candidate fund manager's control
25. Can the City make manager changes to the fund if they want/need to?
26. Describe the how investment will interface with your recordkeeping system / trustee.
27. Explain the transition / conversion process for the fund. Are in-kind transfers of individual securities available? Please describe the role that your company will play in this process.

**SPECIFICATIONS / SCOPE OF WORK**  
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**INVESTMENT MANAGEMENT SERVICES**

28. Please describe any additional direct fees in detail, including, but not limited to, the following:
- a. Investment Management fee
  - b. Wrap Provider fee
  - c. Custody fee
  - d. Recordkeeping fee
  - e. Administration fee
  - f. Set up fee
  - g. Conversion costs
  - h. Annual participant fee
29. Please provide historical stable value fund performance net of all investment management fees.
30. What are the factors that would contribute to future increases in these fees? How often are they reviewed?
31. Are there specific breakpoints in assets, participants, or asset per participant, whereby the client might experience a reduction in fees? How and when would this be communicated to the client? Will fees be reduced as plan assets increase? If so, please provide a schedule and projection for such fee reduction based on a five-year time horizon.

**Managed Account / Investment Advisory / Self-Directed Brokerage Services / Lifetime Income**

The Plan currently utilizes the Reality Investing suite of services from GWF's Advised Asset Group to provide Managed Account services. TD Ameritrade provides the self-directed brokerage services to the Plan.

32. Does your company offer investment advice to plan participants? If so, how is this advice communicated (onsite meetings, call center, website, mailed report, etc.)? What is the fee for this service? Is this a separate service from your Managed Account? What is your fiduciary role in providing investment advice?
33. Does your company offer a Managed Account option? Please describe this service, including whether it employs proprietary software and the extent to which it is a Registered Investment Advisory program. What is the fee for using this program?
34. Can the proposed Managed Account option be used as the Plan's default option?
35. Please discuss how your organization would transition participants currently enrolled in the Managed Account program.
36. Will the Committee be required to execute a separate contract with your investment advisory provider or will the investment advisory services be part of your service contract and agreements?
37. Does your investment advisory service take into account a participant's assets outside the 457 Plan? If so, please describe.
38. Does your company offer a Self-Directed Brokerage option? Please describe this service. What is the fee for using this program?
39. Please discuss how your organization would transition participants currently utilizing the self-directed brokerage option.
40. Does your self-directed brokerage account require any minimum balance? Please describe what happens if minimum balances are not maintained.

**SPECIFICATIONS / SCOPE OF WORK**  
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**INVESTMENT MANAGEMENT SERVICES**

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41. Can your brokerage account restrict a participant from certain investment types that the City deems as inappropriate for qualified retirement plans (e.g., no precious metals, futures, margin trading, options, commodities, collectibles, short sales, real estate, etc.)?
42. Describe the procedure you will use in monitoring and enforcing any limitations requested by the Committee during implementation, such as investment in mutual funds only and maintaining a minimum percent of account balance outside the self-directed brokerage option.
43. How are self-directed brokerage account balances treated for purposes of the following:
  - a. Regular benefit or unforeseeable emergency distributions
  - b. IRC required and minimum distributions
  - c. Domestic relations orders
  - d. Death benefit claims
44. Do participants receive a detailed account summary of all assets held in the brokerage account? When? How often?
45. What information from the self-directed brokerage account is reflected and reported on the core participant quarterly statement? On quarterly plan-level reports provided to the plan sponsor?
46. Will the City be required to execute a separate contract for self-directed brokerage accounts or will it be part of your overall service contract and agreement? All supplemental documents and contracts must be included with your proposal.
47. Does your organization provide a lifetime income or in-plan annuity product? Please describe the features of the product, including the portfolio composition, and the guarantor's credit ratings.

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**SPECIFICATIONS / SCOPE OF WORK**  
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**ADMINISTRATION & RECORDKEEPING / PLAN SERVICING**

1. Please provide the name and contact information for the individual(s) responsible for responding to this request.
2. Please describe your organization. Please include: (a) date established, (b) any subsidiaries and (c) ownership structure. Please provide a brief overview of your company and experience and its public 457(b) deferred compensation services.
3. Please provide the current credit ratings from the four major ratings agencies – A.M. Best, Fitch, Moody's and S&P for your organization and its subsidiaries.
4. Please provide the number of employees that service public 457 deferred compensation plans. Please breakdown this figure into the following areas:
  - a. Administration / Compliance / Call Center
  - b. Investment management
  - c. Sales / client service
  - d. Management
5. Please indicate the number and total assets of the public 457(b) plans that you currently service broken down by the following number of participants.
  - a. Under 1,000
  - b. 1,000 – 5,000
  - c. 5,000 – 10,000
  - d. 10,000+
6. Please describe the service team assigned to the City's plan. Please provide the names, titles and bios for each of the following team members. Please provide the tenure and case load for each.
  - a. Client Relationship Manager
  - b. Transition / Implementation Manager
  - c. Day-to-day Account Executive
  - d. Communications Specialist
  - e. Compliance Specialist
7. Explain your implementation/conversion process including timeframe, based upon a January 1, 2014 conversion date. Please provide a document that summarizes all the high-level milestones and decision points.
8. Identify comparable plan conversions in which you have been involved. How many conversions and implementations has your company conducted during the past three years involving 10,000 employees or more?
9. What involvement will be required from the City during the implementation process?
10. What information is required by the City in order to take advantage of the full range of your outsourcing services (e.g., file requirements)? Will you be able to utilize the current file layout being used by the Plan Sponsor? As requested in Minimum Qualification number 10, please confirm that your organization will absorb any programming costs associated with the current data file layout.

## SPECIFICATIONS / SCOPE OF WORK

SOLICITATION NO.: S37-T24571

### ADMINISTRATION & RECORDKEEPING / PLAN SERVICING

11. Do you provide a service performance guarantee agreement? If yes, please attach a sample agreement, which indicates the standards and how the performance guarantees are determined. In addition, include specifics of the penalties (i.e., monetary guarantees) for performance failures. Please include the below chart in your response.
  - a. Transition / Implementation
  - b. Participant Quarterly Statement
  - c. Participant fee disclosure statement
  - d. Transaction Confirmation Statement
  - e. Plan Level Reporting
  - f. Payroll Contributions
  - g. Loan withdrawal
  - h. Plan-to-Plan transfers
  - i. Hardship/Unforeseen Emergency Withdrawals
  - j. Termination/Rollovers/Direct Transfers for Distribution
  - k. Fund Balance Transfers
  - l. Investment Election Requests
  - m. Contribution Percentage Elections/ Changes
  - n. QDRO Processing
12. Where are your call centers located? What hours do the call centers operate? Are the operators licensed? Do they offer investment guidance to participants?
13. Describe the hardware platform and software system you use.
14. How are spousal consent requirements, if applicable, addressed via website and toll-free service line processing of beneficiary designations, loans, withdrawals, etc.? What involvement of the plan sponsor is required for approvals?
15. Do you support paper as well as online enrollment? Can you receive participant beneficiary designations via paper form? Via online data entry?
16. Do you administer the Roth 457(b)?
17. What options are available for loan repayments for active participants (e.g., payroll deduction, direct payment, ACH)? For terminated participants? How do you handle loan delinquencies for active and terminated participants?
18. Does your Required Minimum Distribution process include automatic distribution of the minimum required amount if participants do not respond to your notifications, or do you require action by the Plan Sponsor?
19. Do you provide annual fee disclosure notices 408(b)(2) and 404(a)(5)) for your public sector / governmental clients even though it is not a requirement?
20. As part of our compliance services, does your organization provide plan document services? Does your organization support individually designed plan documents or prototype / volume submitter?
21. As part of your full suite of outsourcing services, do you distribute legally required disclosure documents, such as SMMs and SPDs, within the required timeframes to all plan participants (including eligible employees without an account balance) and beneficiaries? Do you provide this for documents drafted by outside attorneys? Are there any additional fees for this service?

**SPECIFICATIONS / SCOPE OF WORK**  
**SOLICITATION NO.: S37-T24571**

**PARTICIPANT COMMUNICATION & EDUCATION**

1. Please describe your firm's approach to servicing public 457 deferred compensation plans and communicating and educating plan participants.
2. How many days of onsite education will you provide in the first year as part of the transition / implementation of the plan?
3. How many days of onsite education will you provide in the second year and ongoing? Will your personnel schedule all onsite education days?
4. How many field service representatives would be dedicated to the City? How are these representatives compensated? Please provide the compensation structure for these individuals. For how many clients will the City's representatives be responsible? Please express the cost of each representative in terms of dollars and basis points.
5. Will the field service representatives assigned to the City's plan be employees of your firm?
6. Can you provide onsite education to accommodate those employees who work evening and night shifts? Can you accommodate Spanish speaking employees? Is there an additional charge for such accommodation?
7. Please confirm is able to provide a local office within the City of Houston in support of the Plan? Please specify the location and hours of operation. Please confirm that the office will be fully staffed by the field representatives discussed above in question four above.
8. What customization features do you provide for employee communication campaigns? Do you offer branding capabilities with your communication and education materials?
9. Can you provide targeted communications to different groups of employees (e.g., participant over age 50, nonparticipants) with different messages? How do you track the effectiveness of the targeted communications? Can you provide demographic data reflecting participant investment behavior (e.g., participants invested in multiple target date funds)?
10. Can you produce and distribute personalized retirement account balance projections to all employees, based on age, salary, current account value, asset allocation, etc.? Assuming you are providing outsourcing services, would the plan sponsor need to provide a separate census report? Are there any fees for this service (e.g., preparation costs, mailing costs)?
11. Can participants create on-demand, personalized statements via the website? Over what maximum time period can a participant create a personalized statement?
12. Please discuss your custom website and microsite capabilities. Will you maintain a micro-site so that City employees, without needing to log into an account, would be able to access non-account specific plan and investment information and/or would be able to access such information prior to plan enrollment?
13. Does your website use "scraping" technology whereby data from other financial institutions can be integrated by providing password information for other providers?
14. Is a participant's individual historic rate of investment return provided on his/her account statement? Are alternate investment/return models provided on the statement to encourage proper diversification?
15. Please provide samples of the following materials:
  - a. Participant statement
  - b. Enrollment kit
  - c. Plan sponsor and participant website (including sample login)
  - d. Quarterly employer reports
  - e. 404(a)(5) disclosure
  - f. Any customized communication described in items 7 and 8 above

**SPECIFICATIONS / SCOPE OF WORK**  
**SOLICITATION NO.: S37-T24571**

**EXPENSES**

1. What is your required revenue (as a percentage of total plan assets invested with your firm) for providing the scope of services described in this RFP? For how long is this revenue requirement guaranteed?
2. Will the required revenue rate be reduced as plan assets increase? If so, please provide a schedule and projection for such fee reduction based on a five-year time horizon.
3. As previously discussed in the Minimum Qualifications, the City wishes for all revenue sharing derived from the Plan's investments to be placed into an account that may be used by the City to offset Plan level expenses or reallocated back to participants. Please confirm that this is included in your proposal. Assuming so, please confirm the below mechanics of this account:
  - a. How is this account funded (revenue-sharing, other sources)?
  - b. When are the assets allocated into this account?
  - c. How often do you reconcile the ERA (quarterly, annually)?
  - d. What is the process for using funds in this account? Does the plan sponsor reach out to you to request a payment? Does a 3rd party reach out to you for payment? Can a recurring automatic payment schedule be established?
  - e. To whom can payments from the ERA be made? Must they all be paid directly to the City? Can payments be made directly to a 3rd party?
  - f. Does the account value need to be "zero-ed" out on any given schedule?
  - g. What documentation is provided to the City with respect to the account value and any transactions? What is the timing of this documentation?
  - h. What documentation do you maintain to indicate the agreement surrounding the ERA provisions?
  - i. How do you assist the City in preventing the use of the ERA for non-qualifying expenses?
  - j. What happens to the account if the City changes providers?
  - k. If at any time the account value greatly exceeds expenses, what actions do you take to help avoid a continuing large excess? What method(s) do you use to re-allocate (e.g., pro-rata) back to participants?
  - l. Can you support allocation methods based only on funds that provide revenue sharing?
4. Please describe any additional direct fees in detail, including, but not limited to, the following:
  - a. Plan Set-up / Transition
  - b. Voice Response System (setup/ongoing)
  - c. Customer Service Center (setup/ongoing)
  - d. Internet / Web Services / Microsite (setup/ongoing)
  - e. Custodial Trustee Services
  - f. Participant Investment Advisory / Guidance Services
  - g. Participant Managed Account Services
  - h. Self-Directed Brokerage Services – Plan / Participant
  - i. Loan Withdrawal Initiation Processing / Maintenance
  - j. Plan Document Services
  - k. General Compliance Services
  - l. Check / Wire Processing
  - m. Form 1099R
  - n. Hardship Withdrawal Qualification
  - o. DRO Qualification / Administration
  - p. Participant Statements / Confirmations
  - q. Customized enrollment / communication materials
  - r. SPD/SMM distribution
  - s. Fee Disclosure (404(a)(5)) Notifications
  - t. Other (be specific)

**SPECIFICATIONS / SCOPE OF WORK**  
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**REFERENCES**

Please provide the names and contact information for three current and three former clients whom we may contact as references. Please use references similar in size and scope as possible to the City of Houston.

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# SPECIFICATIONS / SCOPE OF WORK

## SOLICITATION NO.: S37-T24571

### APPENDIX A – SCOPE OF SERVICES

As a potential provider of services, there are certain Service Capabilities that your organization may need to deliver. These Service Capabilities are listed below, broken down into different categories. Please confirm that your company can fulfill all of the following Service Capabilities. If your company is unable to deliver any of the Service Capabilities, please provide a detailed explanation in your response.

#### PRODUCT INFORMATION

- Well diversified separate account stable value fund
- Availability of lifestyle funds or end-date retirement funds (i.e., “funds of funds” classified by risk tolerance or projected retirement year)
- Ability to change investment allocations daily
- Ability to transfer between investment options daily
- Ability to provide bundled services for 401(a), 401(k), 403(b), 457(b) and 457(f) plans with mirror product offerings
- Ability to offer a self directed brokerage account and the ability to limit the offerings of the account to permissible investments under the plan
- Ability to provide documentation as to the specific process to monitor the internal and external investment options offered in your proposed investment array.
- Availability of Roth 457(b) conversion and recordkeeping services. Roth data consolidated with pretax data on a single participant statement

#### COMMUNICATION & EDUCATION

- Interactive Custom Website and Plan micro site made available for participants to access account information and perform plan-related transactions (virtually 24/7)
- Retirement plan calculators by which participants can model different retirement scenarios
- Ability to provide onsite education
- Ability to implement automatic enrollment and automatic escalation
- Ability to provide simple enrollment (i.e., postcards)
- Ability to provide customized participant statements, statement inserts and salary reduction agreements.
- Onsite, salaried field representatives
- Local office within the City of Houston
- Customized, targeted communications materials

#### ADMINISTRATION & RECORDKEEPING

- Specific plan provisions immediately available to the toll-free telephone service representatives
- Ability for participants to enroll, make deferral changes, and complete other plan transactions such as loans and withdrawals, via the internet or toll-free service line
- Ability to process contributions, loan repayments, loan requests, withdrawal requests and rollovers into the plan within all federally required guidelines
- 100% of participant statements mailed within 10 business days of quarter-end
- Ability to provide full servicing of Qualified Domestic Relations Orders (QDROs), including determination of qualified status
- Plan sponsor website that allows access to plan level records, participant level records and both standard and custom report generating capabilities

# SPECIFICATIONS / SCOPE OF WORK

## SOLICITATION NO.: S37-T24571

### APPENDIX A - SCOPE OF SERVICES

#### ADMINISTRATION & RECORDKEEPING

- Ability to provide complete outsourcing of the following internal administrative functions with no employer involvement:
  - Enrollment
  - Deferral Elections
  - Beneficiary Designations
  - Vesting
  - Withdrawals, including approval of Hardship distributions
  - Loan requests/repayments
  - Mailing of distribution kits to terminated participants
  - Minimum required distributions
  - Plan-to-Plan transfers
- Capacity to provide customized “ad hoc” reports (e.g., participant statistics)
- Upon request, provide employer-level summary report that includes the following information:
  - Percentage of employee participation
  - Average employee contribution
  - Employee investment allocation
  - Average number of funds used per participant
  - Average number of participants invested per fund
  - Current loans outstanding and all loan defaults
  - Hardship distributions with distribution date on a rolling six-month basis
  - Terminated participants who are age 70½ or older
  - Inactive participants with balances under \$1,000/\$5,000
  - Terminated participants with remaining balances
  - Drill down reports on the specific segments of the employee population (e.g., by location)
- Ability to track participants for required minimum distributions and to process such withdrawals
- Loan administration that offers repayment via either payroll deduction or direct repayment
- Ability to accept payroll data files from a third-party vendor
- Existence of at least two fully redundant call centers in the event that one call center experiences an outage or other service disruption, and the ability to automatically reroute calls from one center to another in the event of a service disruption
- Ability to modify voice scripts and website content within 24 hours in the event of service disruption
- Disaster recovery testing that occurs at least annually
- Daily account valuation. Plan and participant account reconciliation on a daily basis. Daily access to account information, including balances, exchanges, loans, withdrawals and investment mix election, updated on a daily basis
- Ability to accommodate multiple payroll remittance sources with differing payroll processing schedules (e.g., weekly and semi-monthly as well as monthly for Employer contributions)
- Ability to maintain the split between pre-tax and Roth 457 contributions and to maintain participant’s cost basis for distribution purposes
- Ability to maintain and store beneficiary designation forms for all plans electronically

**SPECIFICATIONS / SCOPE OF WORK**  
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**APPENDIX A - SCOPE OF SERVICES**

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**COMPLIANCE**

- Ability to administer an individually designed plan document and Summary Plan Description
- Summary Annual Reports, Summary of Material Modifications, and signature-ready Form 5500s
- Reminders to employer of filing deadlines for all federal reports
- Distribution of Form 1099 for all withdrawals and loan defaults
- If applicable, ability to timely provide all necessary data to an independent auditor of the Plan

**EXPENSES**

- Full disclosure of all fees, including:
  - Fund management fees
  - Sub-transfer agent fees
  - 12b-1 fees
  - Finder's fees
  - Shareholder servicing fees
  - Administration charges or fees
  - Brokerage fees or commissions
  - Any other revenue-sharing arrangements

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**SPECIFICATIONS / SCOPE OF WORK**  
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**APPENDIX B - PLAN HIGHLIGHTS**

|                                   |   |
|-----------------------------------|---|
| <b>Plan Name:</b>                 | City of Houston Deferred Compensation Plan  |
| <b>Plan Type:</b>                 | Governmental 457(b)   |
| <b>Website:</b>                   | <a href="http://www.houstondcp.com">www.houstondcp.com</a>  |
| <b>Third Party Administrator:</b> | Great-West Financial  |
| <b>Custodian:</b>                 | Wells Fargo Bank West, National Association   |
| <b>Eligibility:</b>               | All current full-time and regular part-time employees of the City of Houston are immediately eligible to participate in the Plan  |
| <b>Enrollment method:</b>         | Paper   |
| <b>Contribution Types:</b>        | <ul style="list-style-type: none"> <li>➤ Employee Pre-Tax</li> <li>➤ Roth 457</li> <li>➤ Rollover (eligible governmental 457(b), 401(k), 403(b) or 401(a) or an IRA)</li> </ul>   |
| <b>Distribution Events:</b>       | <ul style="list-style-type: none"> <li>➤ Retirement or age 70 ½</li> <li>➤ Unforeseeable emergency</li> <li>➤ Severance of employment</li> <li>➤ Death</li> <li>➤ In-service transfer to purchase service credit</li> </ul>   |
| <b>Distribution Options:</b>      | <ul style="list-style-type: none"> <li>➤ Leave the balance in the Plan until a future date.</li> <li>➤ Receive: <ul style="list-style-type: none"> <li>- Periodic payments;</li> <li>- Fixed annuity payments;</li> <li>- Partial lump sum with remainder paid as periodic payments or annuity payments; or</li> <li>- A lump sum.</li> </ul> </li> <li>➤ Rollover to a 401(k), 403(b), 401(a) or an eligible governmental 457(b) plan or to an IRA.</li> </ul> |
| <b>Plan-to-Plan Transfers</b>     | Yes, to the Houston Police Officers 457 Plan  |
| <b>Loans:</b>                     | Yes   |
| <b>Managed Account Services:</b>  | Yes, provided by Advised Asset Group  |
| <b>Self-Directed Brokerage:</b>   | Yes, provided by TD Ameritrade  |

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**SPECIFICATIONS / SCOPE OF WORK**  
**SOLICITATION NO.: S37-T24571**

**APPENDIX C - PLAN STATISTICS**

|  |  |
|--|--|
| Frequency of contribution transmission                           | bi-weekly  |
| Medium used to remit contribution files                          | electronic   |
| Method used to fund contributions                                | wire   |
| Number of payroll locations                                      | 1  |
| Number of payroll files transmitted                              | 1 x 26 pay periods = 26 per year   |
| Field staff  | 3 full time Retirement Counselors, 1 Office Manager (OM) & 1 Client Relationship Director (CRD). |
| Participants enrolled in investment advice (Advised Asset Group) | 31   |
| Participants enrolled in managed accounts (Reality Investing)    | 13,309   |
| Participants enrolled in the self-directed brokerage option      | 30   |

**General Plan Demographics**

|   |  |
|---|--|
| Eligible employees  | 20,858   |
| Participants active and contributing  | 11,590   |
| Participants active and not-contributing                                      | 5,476  |
| Participants suspended due to hardship  | 14   |
| Terminated participants w/balances  | 607  |
| Terminated participants w/balances less than \$5,000                          | 149  |
| Participants with loans   | 5,634  |
| Loan defaults   | 705  |
| Total account balances - participants active and contributing                 | \$413,734,948  |
| Total account balances - participants active, not contributing                | \$199,446,965  |
| Total account balances - suspended due to hardship                            | \$147,215.57   |
| Total account balances - terminated participants w/balances                   | \$41,357,889   |
| Total account balances - terminated participants w/balances less than \$5,000 | \$248,867  |
| Average account balance   | \$37,485   |
| Plan Participation rate   | 81.82%   |
| Average deferral rate   | \$97.3 – BEFORE Tax & \$51.6 – ROTH<br>avg. per paycheck |

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**SPECIFICATIONS / SCOPE OF WORK**  
**SOLICITATION NO.: S37-T24571**

**APPENDIX C - PLAN STATISTICS**

**Transaction Activity**

|  | <b>2011</b> | <b>2012</b> | <b>2013</b> |
|--|-------------|-------------|-------------|
| New participants                                       | 696         | 914         | 204         |
| New loans taken  | 3,120       | 3,255       | 764         |
| Outstanding loans                                      | 7,960       | 8,355       | 8,488       |
| Hardship withdrawals                                   | 90          | 103         | 18          |
| In-service withdrawals (not due to financial hardship) | 2           | 7           | 0           |
| Lump sum/total cash distributions                      | 974         | 981         | 238         |
| Rollover to an IRAs                                    | 125         | 116         | 46          |
| Rollovers to another qualified plan                    | 28          | 30          | 5           |
| Required Minimum Distributions                         | 192         | 223         | 58          |
| QDROs  | 36          | 40          | 8           |

**Contributions / Cash-In**

|   | <b>2011</b>         | <b>2012</b>         | <b>2013</b>            |
|---|---------------------|---------------------|------------------------|
| Employee Pre-tax (excluding catch-up contributions) | \$36,663,746        | \$38,416,580        | \$9,410,134            |
| Age 50 catch-up                                     | \$1,342,225         | \$1,177,203         | \$251,317              |
| 3-year catch-up                                     | \$264,060 estimated | \$293,400 estimated | \$20,400 estimated YTD |
| Roth  | \$                  | \$717,620           | \$239,865              |
| After-Tax   | \$0                 | \$0                 | \$0                    |
| Rollover Contributions                              | \$6,834,291         | \$6,771,493         | \$1,421,353            |
| Loan repayments                                     | \$18,632,015        | \$19,577,799        | \$4,674,565            |

**Withdrawals/cash-out**

|   | <b>2011</b>  | <b>2012</b>  | <b>2013</b> |
|---|--------------|--------------|-------------|
| Lump sum distributions – cash                           | \$7,891,260  | \$7,769,437  | \$2,171,363 |
| Lump sum distributions – rollover                       | \$7,753,451  | \$7,476,609  | \$2,807,017 |
| De Minimum payments (less than \$5,000)                 | \$28,675     | \$73,352     | \$258       |
| Installment payments                                    | \$3,458,883  | \$3,760,564  | \$894,253   |
| Unforeseeable/Hardship withdrawals                      | \$158,839    | \$122,489    | \$29,686    |
| In-service withdrawals (excluding hardship withdrawals) | \$1,663      | \$163,850    | \$0         |
| Loan withdrawals  | \$20,791,810 | \$21,892,152 | \$5,956,967 |
| Fees (i.e.: loans, self-directed brokerage)             | \$208,900    | \$218,170    | \$80,700    |

**SPECIFICATIONS / SCOPE OF WORK**  
**SOLICITATION NO.: S37-T24571**

**APPENDIX D - ASSET INFORMATION**

**CITY OF HOUSTON DEFERRED COMPENSATION PLAN**  
**PLAN ASSETS AS OF 5/31/2013**

| Fund Name                             | Asset Class           | Ticker Symbol | Account Balance as of 05/31/2013 | Number of Participants |
|---------------------------------------|-----------------------|---------------|----------------------------------|------------------------|
| Houston Fixed Fund                    | Stable Value          | N/A           | \$262,760,205.26                 | 16,389                 |
| Federated GNMA Instl                  | US Interm Gov't       | FGMAX         | \$1,006,669.03                   | 609                    |
| PIMCO Total Return Fund – Admin       | US Interm Bond        | PTRAX         | \$61,716,000.88                  | 12,918                 |
| American Funds Inc Fund of Amer R4    | Moderate Allocation   | RIDEX         | \$23,226,394.88                  | 4,810                  |
| American Century Equity Income        | Large Value           | TWEIX         | \$11,983,451.89                  | 8,399                  |
| American Century Growth Investor Fund | Large Growth          | TWCGX         | \$5,441,106.38                   | 502                    |
| BlackRock Equity Index - Collective F | Large Blend (passive) | N/A           | \$10,093,731.71                  | 7,148                  |
| Davis New York Venture A Fund         | Large Blend (active)  | NYVTX         | \$53,012,943.22                  | 13,943                 |
| Fidelity Contrafund                   | Large Growth          | FCNTX         | \$28,866,032.90                  | 1,198                  |
| INVESCO Diversified Dividend R5       | Large Value           | DDFIX         | \$30,898,155.65                  | 13,653                 |
| Oppenheimer Main Street Select A      | Large Blend           | OMSOX         | \$9,540,165.12                   | 3,064                  |
| Artisan Mid Cap Inv                   | Mid Growth            | ARTMX         | \$5,382,206.74                   | 455                    |
| ASTON/Fairpointe Mid Cap N            | Mid Blend             | CHTTX         | \$13,164,810.73                  | 808                    |
| Goldman Sachs Mid Cap Value A         | Mid Value             | GCMAX         | \$25,876,558.32                  | 13,764                 |
| Baron Growth Fund                     | Mid Growth            | BGRFX         | \$20,416,493.75                  | 13,832                 |
| BlackRock Russell 2000 Index Coll F   | Small Blend           | N/A           | \$4,116,232.98                   | 5,883                  |
| Columbia Small Cap Value Fund II Z    | Small Value           | NSVAX         | \$11,524,833.38                  | 8,971                  |
| BlackRock EAFE Equity Index Coll F    | Foreign Large Blend   | N/A           | \$57,297,493.88                  | 13,622                 |
| Calamos Global Equity I               | World Stock           | CIGEX         | \$1,523,622.92                   | 272                    |
| MFS International Growth R4           | Foreign Large Growth  | MGRVX         | \$9,007,335.84                   | 4,440                  |
| Oppenheimer Global Fund A             | World Stock           | OPPAX         | \$15,231,386.78                  | 11,058                 |
| Nuveen Real Estate Securities I       | Real Estate           | FARCX         | \$10,648,301.21                  | 9,470                  |
| Self-directed brokerage option        | N/A                   | N/A           | \$912,280.51                     | 30                     |
| Loans                                 | N/A                   | N/A           | \$43,410,868.98                  | 5,653                  |
| <b>TOTAL</b>                          |                       |               | <b>\$717,057,282.94</b>          | <b>17,265</b>          |

**SPECIFICATIONS / SCOPE OF WORK**  
**SOLICITATION NO.: S37-T24571**

APPENDIX E – CURRENT INVESTMENT ARRAY

PLEASE COMPLETE THE FOLLOWING CHART.

| Fund Name                             | Asset Class           | Ticker Symbol | Account Balance as of 05/31/2013 | Expense Ratio (%) | Revenue Sharing (%) | 12b-1 (%) | Other (e.g. finder's fees) |
|---------------------------------------|-----------------------|---------------|----------------------------------|-------------------|---------------------|-----------|----------------------------|
|                                       | Stable Value          | N/A           | \$262,760,205.26                 |                   |                     |           |                            |
| Federated GNMA Instl                  | US Interm Gov't       | FGMAX         | \$1,006,669.03                   |                   |                     |           |                            |
| PIMCO Total Return Fund – Admin       | US Interm Bond        | PTRAX         | \$61,716,000.88                  |                   |                     |           |                            |
| American Funds Inc Fund of Amer R4    | Moderate Allocation   | RIDEX         | \$23,226,394.88                  |                   |                     |           |                            |
| American Century Equity Income        | Large Value           | TWEIX         | \$11,983,451.89                  |                   |                     |           |                            |
| American Century Growth Investor Fund | Large Growth          | TWCGX         | \$5,441,106.38                   |                   |                     |           |                            |
| BlackRock Equity Index - Collective F | Large Blend (passive) | N/A           | \$10,093,731.71                  |                   |                     |           |                            |
| Davis New York Venture A Fund         | Large Blend (active)  | NYVTX         | \$53,012,943.22                  |                   |                     |           |                            |
| Fidelity Contrafund                   | Large Growth          | FCNTX         | \$28,866,032.90                  |                   |                     |           |                            |
| INVESCO Diversified Dividend R5       | Large Value           | DDFIX         | \$30,898,155.65                  |                   |                     |           |                            |
| Oppenheimer Main Street Select A      | Large Blend           | OMSOX         | \$9,540,165.12                   |                   |                     |           |                            |
| Artisan Mid Cap Inv                   | Mid Growth            | ARTMX         | \$5,382,206.74                   |                   |                     |           |                            |
| ASTON/Fairpointe Mid Cap N            | Mid Blend             | CHTTX         | \$13,164,810.73                  |                   |                     |           |                            |
| Goldman Sachs Mid Cap Value A         | Mid Value             | GCMAX         | \$25,876,558.32                  |                   |                     |           |                            |
| Baron Growth Fund                     | Mid Growth            | BGRFX         | \$20,416,493.75                  |                   |                     |           |                            |
| BlackRock Russell 2000 Index Coll F   | Small Blend           | N/A           | \$4,116,232.98                   |                   |                     |           |                            |
| Columbia Small Cap Value Fund II Z    | Small Value           | NSVAX         | \$11,524,833.38                  |                   |                     |           |                            |
| BlackRock EAFE Equity Index Coll F    | Foreign Large Blend   | N/A           | \$57,297,493.88                  |                   |                     |           |                            |
| Calamos Global Equity I               | World Stock           | CIGEX         | \$1,523,622.92                   |                   |                     |           |                            |
| MFS International Growth R4           | Foreign Large Growth  | MGRVX         | \$9,007,335.84                   |                   |                     |           |                            |
| Oppenheimer Global Fund A             | World Stock           | OPPAX         | \$15,231,386.78                  |                   |                     |           |                            |
| Nuveen Real Estate Securities I       | Real Estate           | FARCX         | \$10,648,301.21                  |                   |                     |           |                            |
| Self-directed brokerage option        | N/A                   | N/A           | \$912,280.51                     | N/A               | N/A                 | N/A       | N/A                        |
| Loans                                 | N/A                   | N/A           | \$43,410,868.98                  | N/A               | N/A                 | N/A       | N/A                        |
| <b>TOTAL</b>                          |                       |               | <b>\$717,057,282.94</b>          |                   |                     |           |                            |

# **PROPOSAL OUTLINE AND MINIMUM CONTENT REQUIREMENTS**

## **SOLICITATION NO.: S37-T24571**

To simplify the review process and to obtain the maximum degree of comparability, the Proposal must follow the outline as set forth below and, at a minimum, contain the information as requested. Offeror(s) are encouraged to include additional relevant information.

### **1.0 TITLE PAGE:**

1.1 The title page should include the title and number of the RFP, name and address of the Offeror(s), and the date of the Proposal.

### **2.0 OFFER & SUBMITTAL FORM:**

2.1 PROPOSAL MUST BE SIGNED AND NOTORIZED BY AN AUTHORIZED REPRESENTATIVE(S) OF THE PROPOSER, WHICH MUST BE THE ACTUAL LEGAL ENTITY THAT WILL PERFORM THE CONTRACT IF AWARDED AND THE TOTAL FIXED PRICE CONTAINED THEREIN SHALL REMAIN FIRM FOR A PERIOD OF ONE-HUNDRED EIGHTY (180) DAYS.

### **3.0 LETTER OF TRANSMITTAL:**

3.1 The cover letter shall include the information as outlined in the Specifications/Scope of Work section, provision 3.3.1.

3.2 Responses to Questionnaire as outlined in the Specifications/Scope of Work section, provision 3.3.2 (Attachment A).

### **4.0 EXPERTISE/EXPERIENCE/QUALIFICATION STATEMENT:**

4.1 Provide a brief statement describing the Offeror's background information, history, resources and/or track record. Please limit to three (3) pages.

4.2 Provide an organizational chart of proposed team or staff for this project.

4.3 Provide resumes of key personnel whom will be responsible for the delivery of the services/project.

4.4 Provide copies of key personnel certifications and/or licenses.

### **5.0 PROPOSED STRATEGY AND OPERATIONAL PLAN:**

5.1 Provide a detailed description and methodology of the proposed plan for the RFP requirements, which should include, but not be limited to the following:

5.1.1 A brief statement of the Offeror understanding of the work to be done; and

5.1.2 A detailed description that clearly defines the method of approach that will be utilized in the successful achievement of the RFP's intended Scope of Work.

### **6.0 FINANCIAL STATEMENTS:**

6.1 Submit your company's audited annual financial statements, in accordance with and as defined in the Financial Accounting Standards Board (FASB) regulation(s) for the past two years. In addition, include your and Dunn & Bradstreet Report or Federal Tax Forms Filed to the Internal Revenue Service (IRS) for the past two years.

### **7.0 CONTENTS:**

# PROPOSAL OUTLINE AND MINIMUM CONTENT REQUIREMENTS

## SOLICITATION NO.: S37-T24571

- 7.1 The contents should be identified by section, description, page number, and should include, at a minimum, the following sections:
  - 7.1.1 Title Page
  - 7.1.2 Signed and Notarized Offer and Submittal Form (Exhibit I)
  - 7.1.3 Letter of Transmittal (Cover letter and RFP Questionnaire responses to Attachment A).
  - 7.1.4 Expertise/Experience/Reliability Statement
  - 7.1.5 Organizational Chart, Resumes and Certifications/Licenses of Proposed Key Personnel
  - 7.1.6 Proposed Strategy/Operational Plan
  - 7.1.7 Reserved
  - 7.1.8 Financial Statement and Dunn & Bradstreet Reports or Federal Tax Forms Filed for Past Two Years
  - 7.1.9 Signed M/WBE Forms: Attachment "A" Schedule of M/WBE Participation, and Attachment "B" Letter of Intent (Exhibit II)
  - 7.1.10 List of References and List of Proposed Subcontractors (Exhibit I)
  - 8.1.11 Pricing Form/Fee Schedule (Exhibit III)
  - 7.1.12 Fair Campaign Ordinance Form "A" (Exhibit V)
  - 7.1.13 Affidavit of Ownership or Control (Exhibit VI)
  - 7.1.14 Drug Compliance Agreement Attachment "A" and Contractor's Certification of No Safety Impact Positions Attachment "C" (Exhibit VII)
  - 7.1.15 Anti-Collusion Statement (Exhibit VIII)
  - 7.1.16 Conflict of Interest Questionnaire (Exhibit IX)
  - 7.1.17 City Contractors' Pay or Play Acknowledgement Form and Pay or Play Certificate Agreement (Exhibit X)
  - 7.1.18 Hire Houston First Affidavit (Download Copy at <http://purchasing.houstontx.gov/index.shtml> and submit to MOBO via e-mail to [HHF-MOBO@houstontx.gov](mailto:HHF-MOBO@houstontx.gov) or fax to 832.393.0952) or submit copy with proposal.
  - 7.1.19 Requested Information Outlined in the Scope of Work and Other Additional Relevant/Supporting Information or Alternate Proposals
  - 7.1.20 Relevant fund information must be provided in the chart in **Appendix E**

|  |
|--|
| <b>EVALUATION AND SELECTION PROCESS</b><br><b>SOLICITATION NO.: S37-T24571</b> |
|--|

**1.0 EVALUATION SUMMARY:**

1.1 An evaluation committee will develop a short list of Offeror(s) based upon the initial review of each Proposal received. The short listed Offeror(s) may be scheduled for a structured oral presentation, demonstration and/or interview. Such presentations will be at no cost to the City of Houston. At the end of the oral presentation, demonstration and/or interview, the evaluation of the short listed Offeror(s) will be completed. However, the evaluation committee reserves the right to issue letter(s) of clarity when deemed necessary to any or all Offeror(s). The oral presentations, demonstrations and/or interview may be recorded and/or videotaped.

**2.0 SELECTION PROCESS:**

2.1 The award of this contract(s) will be made to the respondent(s) offering the response which best meets the needs of the City. The City may make investigations, as it deems necessary, to determine the capabilities of the Offeror(s) to create, modify and implement the required application modules. The Offeror(s) shall furnish to the City such data as the City may request for this purpose. The City reserves the right to reject any offer if the evidence submitted by or the investigation of the Offeror(s) fails to satisfy the City or the Offeror(s) is deemed unqualified to provide the services contemplated. Each Proposal will be evaluated on the basis of the following evaluation criteria that are listed in order of importance below:

|       |  |     |
|-------|--|-----|
| 2.1.1 | Service Provider Operations and Commitment to Customer Service / Issue Resolution  | 15  |
| 2.1.2 | City of Houston / Plan Sponsor Experience: Website, Compliance Support, Relationship Management and Deferred Compensation Thought Leadership | 15  |
| 2.1.3 | Participant Experience: Custom Website / Microsite, Voice Response System and Participant Call Center  | 15  |
| 2.1.4 | Participant Education: Custom Communication and Education Capabilities, Branding, Onsite Representatives and Guidance / Advice Tools         | 15  |
| 2.1.5 | Investment Management Flexibility and Stable Value Fund Offering   | 15  |
| 2.1.6 | Overall Cost Structure   | 15  |
| 2.1.7 | Service Provider History and Deferred Compensation Plan Experience   | 10  |
|       | Total Points   | 100 |

\* Hire Houston First Preference Points (City Business = five (5) extra percentage points or Local Business = three (3) extra percentage points and Non-City and Non-Local Business will receive zero (0) extra percentage points).

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**EXHIBIT I – OFFER AND SUBMITTAL, REFERENCES,  
PROPOSED SUBCONTRACTORS  
SOLICITATION NO.: S37-T24571**

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**EXHIBIT I – OFFER AND SUBMITTAL**  
**SOLICITATION NO.: S37-T24571**

NOTE: PROPOSAL MUST BE SIGNED AND NOTORIZED BY AN AUTHORIZED REPRESENTATIVE(S) OF THE PROPOSER, WHICH MUST BE THE ACTUAL LEGAL ENTITY THAT WILL PERFORM THE CONTRACT IF AWARDED AND THE TOTAL FIXED PRICE CONTAINED THEREIN SHALL REMAIN FIRM FOR A PERIOD OF ONE-HUNDRED EIGHTY (180) DAYS.

"THE RESPONDENT WARRANTS THAT NO PERSON OR SELLING AGENCY HAS BEEN EMPLOYED OR RETAINED TO SOLICIT OR SECURE THIS CONTRACT UPON AN AGREEMENT OR UNDERSTANDING FOR A COMMISSION, PERCENTAGE, BROKERAGE, OR CONTINGENT FEE, EXCEPTING BONA FIDE EMPLOYEES. FOR BREACH OR VIOLATION OF THIS WARRANTY, THE CITY SHALL HAVE THE RIGHT TO ANNUL THIS AGREEMENT WITHOUT LIABILITY OR, AT ITS DISCRETION, TO DEDUCT FROM THE CONTRACT PRICES OR CONSIDERATION, OR OTHERWISE RECOVER THE FULL AMOUNT OF SUCH COMMISSION, PERCENTAGE, BROKERAGE OR CONTINGENT FEE."

Respectfully Submitted:

\_\_\_\_\_  
(Print or Type Name of Contractor – Full Company Name)

City of Houston Vendor No. (If already doing business with City): \_\_\_\_\_

Federal Identification Number: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature of Authorized Officer or Agent)

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

Address of Contractor: \_\_\_\_\_  
Street Address or P.O. Box

\_\_\_\_\_  
City – State – Zip Code

Telephone No. of Contractor: (\_\_\_\_\_) \_\_\_\_\_

Signature, Name and title of Affiant: \_\_\_\_\_

\_\_\_\_\_  
(Notary Public in and for)

\_\_\_\_\_ County, Texas

My Commission Expires: \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

**EXHIBIT I – REFERENCES**  
**SOLICITATION NO.: S37-T24571**

**LIST OF PREVIOUS CUSTOMERS**

1. Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Contract Award Date: \_\_\_\_\_ Contract Completion Date: \_\_\_\_\_  
Contract Name/Title: \_\_\_\_\_  
System Description: \_\_\_\_\_  
\_\_\_\_\_
  
2. Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Contract Award Date: \_\_\_\_\_ Contract Completion Date: \_\_\_\_\_  
Contract Name/Title: \_\_\_\_\_  
System Description: \_\_\_\_\_  
\_\_\_\_\_
  
3. Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Contract Award Date: \_\_\_\_\_ Contract Completion Date: \_\_\_\_\_  
Contract Name/Title: \_\_\_\_\_  
System Description: \_\_\_\_\_  
\_\_\_\_\_
  
4. Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Contract Award Date: \_\_\_\_\_ Contract Completion Date: \_\_\_\_\_  
Contract Name/Title: \_\_\_\_\_  
System Description: \_\_\_\_\_  
\_\_\_\_\_



**EXHIBIT II – MINORITY/WOMEN BUSINESS ENTERPRISES  
CONTRACT REQUIREMENTS  
SOLICITATION NO.: S37-T24571**

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**EXHIBIT II – ATTACHMENT “A”: SCHEDULE OF M/WBE PARTICIPATION**  
**SOLICITATION NO.: S37-T24571**

DATE OF REPORT: \_\_\_\_\_

BID NO.: \_\_\_\_\_

FORMAL BID TITLE: \_\_\_\_\_

| NAME OF<br>MINORITY/WOMEN<br>SUBCONTRACTOR | OFFICE OF BUSINESS<br>OPPORTUNITY<br>CERTIFICATION NO. | STREET ADDRESS AND<br>CITY, STATE, ZIP CODE | TELEPHONE<br>NO. | SCOPE OF<br>WORK | AGREE PRICE |
|--|--|---|------------------|------------------|-------------|
|  |  |   |                  |                  |             |
|  |  |   |                  |                  |             |
|  |  |   |                  |                  |             |
|  |  |   |                  |                  |             |
|  |  |   |                  |                  |             |
|  |  |   |                  |                  |             |
| TOTAL.....                                 |  |   |                  |                  | \$ _____    |
| M/WBE PARTICIPATION AMOUNT.....            |  |   |                  |                  | \$ _____ %  |
| TOTAL BID AMOUNT.....                      |  |   |                  |                  | \$ _____    |

**EXHIBIT II -- ATTACHMENT "A" (CONTINUED): SCHEDULE OF M/WBE PARTICIPATION**  
**SOLICITATION NO.: S37-T24571**

IF YOU HAVE USED YOUR BEST EFFORTS TO CARRY OUT THE CITY'S M/WBE POLICY BY SEEKING SUBCONTRACTS AND SUPPLY AGREEMENTS WITH MINORITY AND WOMEN BUSINESS ENTERPRISES, YET FAILED TO MEET THE STATED PERCENTAGE GOAL OF THIS BID DOCUMENT, LIST BELOW YOUR GOOD FAITH EFFORTS FOR COMPLIANCE (DEFINITION OF REQUIREMENTS CAN BE OBTAINED THROUGH THE OFFICE OF BUSINESS OPPORTUNITY AT (713) 837-9000).

|  |
|--|
|  |
|  |
|  |
|  |
|  |
|  |

THE UNDERSIGNED WILL ENTER INTO A FORMAL AGREEMENT WITH THE MINORITY AND/OR WOMEN SUBCONTRACTORS AND SUPPLIERS LISTED IN THIS SCHEDULE CONDITIONED UPON AWARD OF A CONTRACT FROM THE CITY.

**NOTE:**  
ALL FIRMS LISTED ABOVE MUST BE CERTIFIED (OR ELIGIBLE FOR CERTIFICATION) BY THE OFFICE OF BUSINESS OPPORTUNITY. THIS SCHEDULE OF M/WBE PARTICIPATION SHOULD BE RETURNED, IN DUPLICATE, WITH THE BID FORM.

\_\_\_\_\_  
**BIDDER COMPANY NAME**

\_\_\_\_\_  
**SIGNATURE OF AUTHORIZED OFFICER OR AGENT OF BIDDER**

\_\_\_\_\_  
**NAME (TYPE OR PRINT)**

\_\_\_\_\_  
**TITLE**

**EXHIBIT II – ATTACHMENT “B”: M/WBE LETTER OF INTENT  
SOLICITATION NO.: S37-T24571**

THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT.

TO: **City of Houston  
City Purchasing Agent**

**MINORITY/WOMEN BUSINESS ENTERPRISE (M/WBE) AND SUPPLIER**

**LETTER OF INTENT**

Contract Bid Number: \_\_\_\_\_

Bid Title: \_\_\_\_\_

Bid Amount: \_\_\_\_\_

M/WBE Participation Amount: \$ \_\_\_\_\_ **M/WBE GOAL** \_\_\_\_\_%

1. \_\_\_\_\_ agrees to perform work/supply goods and/or  
**(Name of Minority/Women Business Enterprise)**  
Services in connection with the above-named contract and \_\_\_\_\_ as:  
**Name of Prime Contractor**

(a) \_\_\_\_\_ An Individual

(b) \_\_\_\_\_ A Partnership

(c) \_\_\_\_\_ A Corporation

(d) \_\_\_\_\_ A Joint Venture

2. \_\_\_\_\_ status is confirmed by M/WBE Directory made  
**(Name of Minority/Women Business Enterprise)**  
available through the City of Houston Office of Business Opportunity. Certificate No.: \_\_\_\_\_.

3. \_\_\_\_\_ and \_\_\_\_\_  
**(Name of Prime Contractor)** **(Minority/Women Business Enterprise)**  
intend to work on the above-named contract in accordance with the M/WBE Participation Section of the  
City of Houston Contract Bid Provision.

The Terms & Conditions of Attachment “C” attached hereto are incorporated into this Letter of Intent for all purposes.

\_\_\_\_\_  
(Signed -- Prime Contractor)

\_\_\_\_\_  
(Signed -- Minority/Women Business Enterprise)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

**EXHIBIT II – ATTACHMENT “C”: CERTIFIED M/WBE SUBCONTRACT TERMS**  
**SOLICITATION NO.: S37-T24571**

Contractor shall insure that all subcontracts with M/WBE subcontractors and suppliers are clearly labeled “**THIS CONTRACT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT**” and contain the following terms:

1. \_\_\_\_\_ (M/WBE subcontractor) shall not delegate or subcontract more than 50% of the work under this subcontract to any other subcontractor or supplier without the express written consent of the City of Houston’s Office of Business Opportunity (“the Director”).
2. \_\_\_\_\_ (M/WBE subcontractor) shall permit representatives of the City of Houston, at all reasonable times, to perform 1) audits of the books and records of the subcontractor, and 2) inspections of all places where work is to be undertaken in connection with this subcontract. Subcontractor shall keep such books and records available for such purpose for at least four (4) years after the end of its performance under this subcontract. Nothing in this provision shall affect the time for bringing a cause of action nor the applicable statute of limitations.
3. Within five (5) business days of execution of this subcontract, Contractor (prime contractor) and Subcontractor shall designate in writing to the Director an agent for receiving any notice required or permitted to be given pursuant to Chapter 15 of the Houston City Code of Ordinances, along with the street and mailing address and phone number of such agent.
4. As conclude by the parties to this subcontract, and as evidenced by their signatures hereto, any controversy between the parties involving the construction or application of any of the terms, covenants or conditions of this subcontract shall, on the written request of one party served upon the other or upon notice by Director served on both parties, be submitted to binding arbitration, under the Texas General Arbitration Act (Tex. Civ. Prac. & Rem. Code Ann., Ch. 171 – “the Act”). Arbitration shall be conducted according to the following procedures:
  - a. Upon the decision of the Director or upon written notice to the Director from either party that a dispute has arisen, the Director shall notify all parties that they must resolve the dispute within thirty (30) days or the matter may be referred to arbitration.
  - b. If the dispute is not resolved within the time specified, any party or the Director may submit the matter to arbitration conducted by the American Arbitration Association under the rules of the American Arbitration Association, except as otherwise required by the City’s contract with American Arbitration Association on file in the Office of the City’s Office of Business Opportunity.
  - c. Each party shall pay all fees required by the American Arbitration Association and sign a form releasing the American Arbitration Association and its arbitrators from liability for decisions reached in the arbitration.
  - d. In the event the American Arbitration Association no longer administers Office of Business Opportunity arbitration for the City, the Director shall prescribe alternate procedures as necessary to provide arbitration by neutrals in accordance with the requirements of Chapter 15 of the Houston City Code of Ordinances.

These provisions apply to goal oriented contracts. A goal oriented contract means any contract for the supply of goods or non-personal or non-professional services in excess of \$100,000.00 for which competitive bids are required by law; not within the scope of the MBE/WBE program of the United States Environmental Protection Agency on the United States Department of Transportation; and ;, which the City Purchasing Agent has determined to have significant M/WBE subcontracting potential in fields which there are an adequate number on known MBE’s and/or WBE’s to compete for City contract.

The M/WBE policy of the City of Houston will discussed during the pre-bid. For information assistance, and/or to receive a copy of the City’s Affirmative action policy and/or ordinance contact the Office of Business Opportunity at (713) 837-9000, 611 Walker, 7<sup>th</sup> Floor, Houston, Texas 77002.

**EXHIBIT II – ATTACHMENT “D”: OFFICE OF BUSINESS OPPORTUNITY AND  
CONTRACT COMPLIANCE M/WBE UTILIZATION REPORT**  
SOLICITATION NO.: S37-T24571

**Report Period:** \_\_\_\_\_

**PROJECT NAME & NUMBER:** \_\_\_\_\_

**AWARD DATE:** \_\_\_\_\_

**PRIME CONTRACTOR:** \_\_\_\_\_

**CONTRACT NO.:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**CONTRACT AMOUNT:** \_\_\_\_\_

**LIAISON/PHONE NO.:** \_\_\_\_\_

**M/WBE GOAL:** \_\_\_\_\_

| M/WBE SUB/VENDOR NAME | DATE OF OBO CERTIFICATION | DATE OF SUBCONTRACT | SUBCONTRACT AMOUNT | % OF TOTAL CONTRACT | AMOUNT PAID TO DATE | % OF CONTRACT TO DATE |
|-----------------------|---------------------------|---------------------|--------------------|---------------------|---------------------|-----------------------|
|                       |                           |                     |                    |                     |                     |                       |
|                       |                           |                     |                    |                     |                     |                       |
|                       |                           |                     |                    |                     |                     |                       |
|                       |                           |                     |                    |                     |                     |                       |
|                       |                           |                     |                    |                     |                     |                       |

Use additional pages if needed. Submit by the 15th day of the following month.  
Provide support documentation on all revenues paid to end of the report period to:  
M/WBE's to reflect up/down variances on Contract amount.

Office of Business Opportunity  
ATTN: Carlecia Wright 713-837-9000  
611 Walker, 7<sup>th</sup> Floor  
Houston, Texas 77002



**EXHIBIT IV – INSURANCE REQUIREMENTS AND SAMPLE  
INSURANCE CERTIFICATE  
SOLICITATION NO.: S37-T24571**

To comply with the Terms & Conditions for insurance in a City of Houston Service Contract, the Contractor's Insurance Certificate must be prepared as follows and shall meet the requirements set forth in this Solicitation:

- A. The City of Houston must be listed as an **additional insured** on the face of the Certificate, except those for Worker's Compensation and Employer's Liability.
- B. Each Policy must contain an endorsement to the effect that **the issuer waives any claim or right in the nature of subrogation** to recover against the City, its officers, agents or employees.
- C. The City of Houston must be included in the Insurer's Notification Requirement, which may be accomplished in one of the following ways:
  - 1. By the Contractor's Insurance Agent revising the standard cancellation clause to read substantially as follows (all handwritten strike-outs, additions, and changes to the original text, must all be initialed by the Insurance Agent authorized to make such changes):

=====CANCELLATION=====

J. D.

NON-RENEWED

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION

J. D.

DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE OF SUCH CHANGE TO THE CERTIFICATE HOLDER NAMED (TO THE LEFT), ~~BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND~~

J. D.

~~UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.~~

=====

AUTHORIZED REPRESENTATIVE OF INSURER John Doe

=====

- O R -

- 2. By Attaching Endorsements in the form attached.
- D. Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting the all of the above requirements except as to amount. The amount shall be commensurate with the amount of the subcontract, but not in no case shall it be less than \$500,000 per occurrence.

**EXHIBIT IV – INSURANCE REQUIREMENTS AND SAMPLE  
INSURANCE CERTIFICATE  
SOLICITATION NO.: S37-T24571**

**CERTIFICATE OF INSURANCE EXPLANATIONS**

1. Certificate must not be more than 90 days old.
2. Name and Address of Producer writing coverage.
3. Name of each insurance company providing coverage (as listed in Best's Key Rating Guide or on company's Certificate of Authority on file with Texas Department of Insurance). Each company must have (1) a Certificate of Authority to transact insurance business in Texas or (2) be an eligible non-admitted insurer in the State of Texas and have a Best's rating of B+ or better and a Best's financial size category of class VI or better according to the most current edition Best's Key Rating Guide.
4. Name and address of Insured (as shown on policy)
5. Letter in the column must reference the insurer of the policy being described
6. Must be a policy number; no binders will be accepted
7. Date policy became effective
8. Expiration date must be at least **30** days from date of delivery of certificate
9. Name and file number of project
10. Name of project manager
11. Signature or facsimile signature of authorized representative of Producer (blue ink preferred)
12. All required endorsements must accompany the certificate

# EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR CONTRACT AWARD (\$50K OR MORE) SOLICITATION NO.: S37-T24571

## ACORD. CERTIFICATE OF INSURANCE Issue Date (MM/DD/YY)

PRODUCER

ISSUERS OF POLICIES THE ISSUER SHALL HAVE A RATING OF AT LEAST B + AND FINANCIAL SIZE OF CLASS VI OR BETTER ACCORDING TO THE CURRENT YEAR'S BEST RATING.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

SAMPLE FORM

**COMPANIES AFFORDING COVERAGE**

- .....COMPANY A
- .....COMPANY B
- .....COMPANY C
- .....COMPANY D
- .....COMPANY E

**COVERAGE'S**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| CO LTR. | TYPE OF INSURANCE   | POLICY NUMBER    | EFFECTIVE DATE (MM/DD/YY)   | POLICY EXPIRATION (MM/DD/YY)  | POLICY LIMITS  |
|---------|---|------------------|---|---|--|
| A.      | <b>General Liability</b><br>(X) Commercial General Liability<br>Claims Made (X) Occur.<br>Owners & Contractors Prot.                                    |                  |   | General Aggregate<br>Products-Comp/Op Agg.<br>Personal & Adv. Injury<br>Each Occurrence<br>Fire Damage (Any one fire)<br>Med. Expense<br>(Any one person) | \$1,000,000<br>\$1,000,000<br>\$1,000,000<br>\$ 500,000<br>\$ 50,000<br>\$ 5,000 |
| A.      | <b>Automobile Liability</b><br>(X) Any Auto<br>(X) All Owned Autos<br>{ } Scheduled Autos<br>{ } Hired Autos<br>{ } Non-Owned Autos<br>Garage Liability |                  | Auto Liability Insurance for autos furnished or used in the course of performance of this Contract. Including Owned, Non-owned, and Hired Auto coverage. (Any Auto coverage may be substituted for Owned, Non-owned and Hired Auto Coverage.) If no autos are owned by Contractor, coverage may be limited to Non-owned and Hired Autos. If Owned Auto coverage cannot be purchased by Contractor, Scheduled Auto coverage may be substituted for Owned Auto coverage. EACH AUTO USED IN PERFORMANCE OF THIS CONTRACT SHALL BE COVERED IN THE LIMITS SPECIFIED. | Combined Single Limit<br>Bodily Injury (Per person)<br>Bodily Injury (Per Accident)<br>Property Damage  | \$1,000,000<br>\$<br>\$<br>\$  |
|         | <b>Excess Liability</b>   |                  |   | Each Occurrence<br>Aggregate  | \$<br>\$   |
|         | <b>Worker's Compensation and Employee Liability</b><br>Other  | Statutory Limits |   | (X) <b>Statutory Limits</b><br>Each Accident<br>Disease - Policy Limit<br>Disease - Each Employee   | \$ 100,000<br>\$ 100,000<br>\$ 100,000   |

DESCRIPTION OF OPERATION/LOCATIONS/VEHICLES/SPECIAL ITEMS

City of Houston is named as additional insured on Auto and General Liability policies, and Waiver of Subrogation on Auto, General Liability, and Worker's Compensation.  
For (Project Name)

CERTIFICATE HOLDER

SHALL BE MODIFIED AS FOLLOWS: **CANCELLATION** SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED NON-RENEWED BEFORE THE EXPIRATION DATE THERE OF THE ISSUING COMPANY WILL MAIL THIRTY (30) DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT CITY OF HOUSTON / FINANCE AND ADMINISTRATION

DEPARTMENT – STRATEGIC PURCHASING DIVISION

P.O. BOX 1562  
HOUSTON, TEXAS 77251

AUTHORIZED REPRESENTATIVE

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

ISO | Commercial Auto Forms | 06/01/04  
POLICY NUMBER:

**COMMERCIAL AUTO  
CA 04 03 06 04**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**TEXAS ADDITIONAL INSURED**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

|                        |  |
|------------------------|--|
| Endorsement Effective: | Countersigned By:<br><br>(Authorized Representative) |
| Named Insured:         |  |

**SCHEDULE**

|  |
|--|
| <b>Name and Address of Additional Insured:</b><br><br><br><br><br> |
|--|

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Who Is An Insured (Section II ) is amended to include as an "insured" the person(s) or organization(s) shown in the Schedule, but only with respect to their legal liability for acts or omissions of a person for whom Liability Coverage is afforded under this policy.
- B. The additional insured named in the Schedule or Declarations is not required to pay for any premiums stated in the policy or earned from the policy. Any return premium and any dividend, if applicable, declared by us shall be paid to you.
- C. You are authorized to act for the additional insured named in the Schedule or Declarations in all matters pertaining to this insurance.
- D. We will mail the additional insured named in the Schedule or Declarations notice of any cancellation of this policy. If we cancel, we will give 10 days notice to the additional insured.
- E. The additional insured named in the Schedule or Declarations will retain any right of recovery as a claimant under this policy.

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**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

POLICY NUMBER:

COMMERCIAL AUTO  
CA 04 44 03 10

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:**

**Endorsement Effective Date:**

**SCHEDULE**

**Name(s) Of Person(s) Or Organization(s):**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

# EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR CONTRACT AWARD (\$50K OR MORE)

SOLICITATION NO.: S37-T24571

ENDORSEMENT

This endorsement, effective 12:01 AM

Forms a part of policy no.:

Issued to:

By:

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED REQUIRED BY WRITTEN CONTRACT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY POLICY, COVERAGE APPLICABLE TO COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE (SECTION I - COVERAGES) ONLY

- A. Section II - Who Is An Insured** is amended to include any person or organization you are required to include as an additional insured on this policy by a written contract or written agreement in effect during this policy period and executed prior to the "occurrence" of the "bodily injury" or "property damage."
- B.** The insurance provided to the above described A additional insured under this endorsement is limited as follows:
1. COVERAGE A BODILY INJURY AND PROPERTY DAMAGE (Section I - Coverages) only.
  2. The person or organization is only an additional insured with respect to liability arising out of "your work" or "your product".
  3. In the event that the Limits of Insurance provided by this policy exceed the Limits of Insurance required by the written contract or written agreement, the insurance provided by this endorsement shall be limited to the Limits of Insurance required by the written contract or written agreement. This endorsement shall not increase the Limits of Insurance shown in the Declarations pertaining to the coverage provided herein.
  4. The insurance provided to such an additional insured does not apply to "bodily injury" or "property damage" arising out of an architect's, engineer's, or surveyor's rendering of or failure to render any professional services, including, but not limited to:
    - i. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
    - ii. Supervisory, inspection, architectural, or engineering activities.
- 5.** This insurance does not apply to "bodily injury" or "property damage" arising out of "your work" or "your product" included in the "product-completed operations hazard" unless you are required to provide such coverage by written contract or written agreement and then only for the period of time required by the written contract or written agreement and in no event beyond the expiration date of the policy.
- 6.** Any coverage provided by this endorsement to an additional insured shall be excess over any other valid and collectible insurance available to the additional insured whether primary, excess, contingent or on any other basis.
- C.** In accordance with the terms and conditions of the policy and as more fully explained in the policy, as soon as practicable, each additional insured must give us prompt notice of any "occurrence" which may result in a claim, forward all legal papers to us, cooperate in the defense of any actions, and otherwise comply with all of the policy's terms and conditions. Failure to comply with this provision may, at our option, result in the claim or "suit" being denied.

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

ENDORSEMENT No.

This endorsement, effective 12:01 AM:

Forms a part of policy no:

Issued to:

By:

Commercial Umbrella Liability Policy with CrisisResponse®

**Additional Insured Endorsement - Products-Completed Operations and Primary Non-Contributing**

This policy is amended as follows:

**Section VII. DEFINITIONS**, Paragraph M. is amended to include the following additional provision:

**Insured** means:

Any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization is an additional insured on your policy, but only if such person or organization is included under the coverage provided by **Scheduled Underlying Insurance**. Such person or organization is an additional insured only with respect to liability:

1. arising out of **Your Work** at the location designated; or
2. included within the **Products-Completed Operations Hazard**.

This provision does not apply to liability arising out of the sole negligence of such person or organization for its own acts or omissions or those of its employees or anyone else acting on its behalf.

Coverage afforded to these additional insured parties will be primary to, and non-contributory with, any other insurance available to that person or organization.

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

ISO | Commercial General Liability Forms | 07/01/04

POLICY NUMBER:

**COMMERCIAL GENERAL  
LIABILITY  
CG 20 10 07 04**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR  
ORGANIZATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SCHEDULE**

| Name Of Additional Insured Person(s)<br>Or Organization(s):  | Location(s) Of Covered Operations |
|--|-----------------------------------|
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |                                   |

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf,  
in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

CG 20 10 07 04

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**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

ISO | Commercial General Liability Forms | 07/01/04

POLICY NUMBER:

**COMMERCIAL GENERAL  
LIABILITY**

CG 20 37 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SCHEDULE**

| Name Of Additional Insured Person(s)<br>Or Organization(s):  | Location And Description Of Completed Operations |
|--|--|
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |  |

**Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

CG 20 37 07 04

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**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

ISO | Commercial General Liability Forms | 01/01/96

POLICY NUMBER:

**COMMERCIAL GENERAL  
LIABILITY**

CG 20 11 01 96

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – MANAGERS OR LESSORS OF  
PREMISES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

**SCHEDULE**

1. Designation of Premises (Part Leased to You):
2. Name of Person or Organization (Additional Insured):
3. Additional Premium:

(If no entry appears above, the information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II ) is amended to include as an insured the person or organization shown in the Schedule but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person or organization shown in the Schedule.

CG 20 11 01 96

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**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

ISO | Commercial General Liability Forms | 07/01/04

POLICY NUMBER:

**COMMERCIAL GENERAL  
LIABILITY**

CG 20 15 07 04

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – VENDORS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**

**SCHEDULE**

| Name Of Additional Insured Person(s) Or<br>Organization(s) (Vendor)                                    | Your Products |
|--|---------------|
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |               |

A. Section II – Who Is An Insured is amended to include as an additional insured any person(s) or organization(s) (referred to below as vendor) shown in the Schedule, but only with respect to "bodily injury" or "property damage" arising out of "your products" shown in the Schedule which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

1. The insurance afforded the vendor does not apply to:
  - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
  - b. Any express warranty unauthorized by you;
  - c. Any physical or chemical change in the product made intentionally by the vendor;
  - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
  - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
  - h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
    - (1) The exceptions contained in Sub-paragraphs d. or f.; or
    - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

CG 20 15 07 04

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**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY  
CG 20 26 07 04

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED – DESIGNATED  
PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

| Name Of Additional Insured Person(s) Or Organization(s) |
|---|
|   |

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only in respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

- A. In the performance of your ongoing operations; or
- B. In connection with your premises owned by or rented to you.

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

ISO | Commercial General Liability Forms | 05/01/09

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY

CG 24 04 05 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**SCHEDULE**

**Name Of Person Or Organization:**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us** of Section IV – **Conditions**:

We waive any right of recovery we may have against the person or organization shown in the Schedule above because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard". This waiver applies only to the person or organization shown in the Schedule above.

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**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**TEXAS WAIVER OF OUR RIGHT TO  
RECOVER FROM OTHERS ENDORSEMENT**

Policy Number:  
Effective Date:  
Named Insured and Address:

Endorsement Number:  
Effective hour is the same as stated on the Information Page of the policy.

This endorsement applies only to the insurance provided by the policy because Texas is shown in Item 3.A. of the Information Page.

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule, but this waiver applies only with respect to

bodily injury arising out of the operations described in the Schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

**SCHEDULE**

1. ( ) Special Waiver  
Name of person or organization
2. ( ) Blanket Waiver  
Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.
3. Premium:  
The premium charge for this endorsement shall be \_\_\_\_\_ percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.
4. Advance Premium:

Countersigned by \_\_\_\_\_  
Authorized Representative

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 42 03 04 A

(Ed. 1-00)

**TEXAS WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT**

This endorsement applies only to the insurance provided by the policy because Texas is shown in Item \_\_\_\_\_ of the Information Page.

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule, but this waiver applies only with respect to bodily injury arising out of the operations described in the Schedule where you are required by a written contract to obtain this waiver from us.

This endorsement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

The premium for this endorsement is shown in the Schedule.

Schedule

1.  Specific Waiver

Name of person or organization

Blanket Waiver

Any person or organization for whom the Named Insured has agreed by written contract to furnish this waiver.

2. Operations:

ALL TEXAS OPERATIONS

3. Premium:

The premium charge for this endorsement shall be \_\_\_\_\_ percent of the premium developed on payroll in connection with work performed for the above person(s) or organization(s) arising out of the operations described.

4. Advance Premium:

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective  
Insured

Endorsement No.  
Premium \$

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR  
CONTRACT AWARD (\$50K OR MORE)  
SOLICITATION NO.: S37-T24571**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**LIMITED WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY SELF-INSURED RETENTION COVERAGE FORM

**Schedule**

**Name of Person or Organization: Where required by written contract.**

Under **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, Condition 8. Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following provision:

We waive any right of recovery we may have against the person or organization shown in the **Schedule** above because of payments we make for injury or damage arising out of your ongoing operations done under a contract with that person or organization.

All other terms and conditions of this Policy remain unchanged.

**EXHIBIT V – FAIR CAMPAIGN ORDINANCE**  
**SOLICITATION NO.: S37-T24571**

The City of Houston Fair Campaign Ordinance makes it unlawful for a Contractor to offer any contribution to a candidate for City elective office (including elected officers and officers-elect). All respondents to this invitation to bid must comply with Houston Code of Ordinances Chapter 18 as amended relating to the contribution and solicitation of funds for election campaigns. Provisions of this ordinance are provided in part in the paragraphs that follow. Complete copies may be obtained from the office of the City Secretary.

Candidates for city office may neither solicit nor receive contributions except during a period commencing 270 calendar days prior to an election date for which a person is a candidate for such office and ending 90 calendar days after the election date, including runoff elections if such candidate is on the ballot.

Further, it shall be unlawful either for any person who submits a Bid or Proposal to contribute or offer any contribution to a candidate or for any candidate to solicit or accept any contribution from such person for a period commencing at the time of posting of the City Council Meeting Agenda including an item for the award of the Contract and ending upon the 30th day after the award of the Contract by City Council.

For the purposes of this Ordinance, a **Contract** is defined as each Contract having a value in excess of \$30,000 that is let by the City for professional services, personal services, or other goods or services of any other nature whether the Contract is awarded on a negotiated basis, request for Proposal basis, competitive Proposal basis or formal sealed competitive Bids. The term **Contractor** includes proprietors of proprietorships, partners having an equity interest of 10% or more of partnerships, (including limited liability partnerships and companies), all officers and directors of corporations (including limited liability corporations), and all holders of 10% or more of the outstanding shares of corporations.

**A STATEMENT DISCLOSING THE NAMES AND BUSINESS ADDRESSES EACH OF THOSE PERSONS WILL BE REQUIRED TO BE SUBMITTED WITH EACH BID OR PROPOSAL FOR A CITY CONTRACT.** Completion of the attached form entitled "**Contractor Submission List**" will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.

**EXHIBIT V – FORM “A”: FAIR CAMPAIGN  
SOLICITATION NO.: S37-T24571**

CITY OF HOUSTON FAIR CAMPAIGN ORDINANCE

The City of Houston Fair Campaign Ordinance makes it unlawful for a Contractor to offer any contribution to a candidate for City elective office (including elected officers-elect) during a certain period of time prior to and following the award of the Contract by the City Council. The term “Contractor” includes proprietors of proprietorships, partners or joint venture’s having an equity interest of 10 percent or more for the partnership or Joint venture, and officers, directors and holders of 10 percent or more of the outstanding shares of corporations. A statement disclosing the names and business addresses of each of those persons will be required to be submitted with each Bid or Proposal for a City Contract. See Chapter 18 of the Code of Ordinances, Houston, Texas, for further information.

This list is submitted under the Provisions of Section 18-36(b) of the Code of Ordinances, Houston, Texas, in connection with the attached Proposal, submission or bid of:

Firm or Company Name: \_\_\_\_\_

Firm or Company Address: \_\_\_\_\_

**The firm/company is organized as a (Check one as applicable) and attach additional pages if needed to supply the required names and addresses:**

**SOLE PROPRIETORSHIP**

Name \_\_\_\_\_ Address \_\_\_\_\_  
Proprietor

**A PARTNERSHIP**

**List each partner having equity interest of 10% or more of partnership (if none state “none”):**

Name \_\_\_\_\_ Address \_\_\_\_\_  
Partner

Name \_\_\_\_\_ Address \_\_\_\_\_  
Partner

**A CORPORATION**

**List all directors of the corporation (if none state “none”):**

Name \_\_\_\_\_ Address \_\_\_\_\_  
Director

Name \_\_\_\_\_ Address \_\_\_\_\_  
Director

Name \_\_\_\_\_ Address \_\_\_\_\_  
Director



**EXHIBIT VI: CONTRACTOR OWNERSHIP  
DISCLOSURE ORDINANCE  
SOLICITATION NO.: S37-T24571**

City Council requires knowledge of the identities of the owners of entities seeking to Contract with the City in order to review their indebtedness to the City prior to entering Contracts. Therefore, all respondents to this Invitation to Bid must comply with Houston Code of Ordinances Chapter 15, as amended (Sections 15-122 through 15-126) relating to the disclosure of owners of entities bidding on, proposing for or receiving City contracts. Provisions of this ordinance are provided in part in the paragraphs that follow. Complete copies may be obtained from the office of the City Secretary.

Contracting entity means a sole proprietorship, corporation, non-profit corporation, partnership, joint venture, limited liability company, or other entity that seeks to enter into a contract requiring approval by the Council but excluding governmental entities.

A contracting entity must submit at the time of its Bid or Proposal, an affidavit listing the full names and the business and residence addresses of all persons owning five percent or more of a contracting entity or, where a contracting entity is a non-profit corporation, the full names and the business and residence addresses of all officers of the non-profit corporation.

Completion of the "**Affidavit of Ownership or Control**," included herein, and submitted with the Official Bid or Proposal Form will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.

**EXHIBIT VI: AFFIDAVIT OF OWNERSHIP OR CONTROL**  
**SOLICITATION NO.: S37-T24571**

ORIG. DEPT.: \_\_\_\_\_

FILE/I.D. NO.: \_\_\_\_\_

**INSTRUCTION:** ENTITIES USING AN ASSUMED NAME SHOULD DISCLOSE SUCH FACT TO AVOID REJECTION OF THE AFFIDAVIT. THE FOLLOWING FORMAT IS RECOMMENDED: CORPORATE/LEGAL NAME DBA ASSUMED NAME.

STATE OF \_\_\_\_\_ §  
 COUNTY OF \_\_\_\_\_ §

**AFFIDAVIT OF OWNERSHIP OR CONTROL**

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_ [FULL NAME] (hereafter "Affiant"),  
 \_\_\_\_\_ [STATE TITLE/CAPACITY WITH CONTRACTING ENTITY] of \_\_\_\_\_  
 [CONTRACTING ENTITY'S CORPORATE/LEGAL NAME] ("Contracting Entity"), who being by me duly sworn on oath stated as follows:

1. Affiant is authorized to give this affidavit and has personal knowledge of the facts and matters herein stated.

2. Contracting Entity seeks to do business with the City in connection with \_\_\_\_\_  
 [DESCRIBE PROJECT OR MATTER] which is expected to be in an amount that exceeds \$50,000.

3. The following information is submitted in connection with the proposal, submission or bid of Contracting Entity in connection with the above described project or matter.

4. Contracting Entity is organized as a business entity as noted below (check box as applicable).

**FOR PROFIT ENTITY:**

**NON-PROFIT ENTITY:**

- SOLE PROPRIETORSHIP
- CORPORATION
- PARTNERSHIP
- LIMITED PARTNERSHIP
- JOINT VENTURE
- LIMITED LIABILITY COMPANY
- OTHER (Specify type in space below)

- NON-PROFIT CORPORATION
- UNINCORPORATED ASSOCIATION

# EXHIBIT VI: AFFIDAVIT OF OWNERSHIP OR CONTROL

SOLICITATION NO.: S37-T24571

5. The information shown below is true and correct for the Contracting Entity and all owners of 5% or more of the Contracting Entity and, where the Contracting Entity is a non-profit entity, the required information has been shown for each officer, *i.e.*, president, vice-president, secretary, treasurer, etc. **[NOTE: IN ALL CASES, USE FULL NAMES, LOCAL BUSINESS AND RESIDENCE ADDRESSES AND TELEPHONE NUMBERS. DO NOT USE POST OFFICE BOXES FOR ANY ADDRESS. INCLUSION OF E-MAIL ADDRESSES IS OPTIONAL, BUT RECOMMENDED. ATTACH ADDITIONAL SHEETS AS NEEDED.]**

## Contracting Entity

Name: \_\_\_\_\_

Business Address **[No. /STREET]** \_\_\_\_\_

**[CITY/STATE/ZIP CODE]** \_\_\_\_\_

Telephone Number (\_\_\_\_\_) \_\_\_\_\_

Email Address **[OPTIONAL]** \_\_\_\_\_

Residence Address **[No. /STREET]** \_\_\_\_\_

**[CITY/STATE/ZIP CODE]** \_\_\_\_\_

Telephone Number (\_\_\_\_\_) \_\_\_\_\_

Email Address **[OPTIONAL]** \_\_\_\_\_

## **5% Owner(s) or More (IF NONE, STATE "NONE.")**

Name: \_\_\_\_\_

Business Address **[No. /STREET]** \_\_\_\_\_

**[CITY/STATE/ZIP CODE]** \_\_\_\_\_

Telephone Number (\_\_\_\_\_) \_\_\_\_\_

Email Address **[OPTIONAL]** \_\_\_\_\_

Residence Address **[No. /STREET]** \_\_\_\_\_

**[CITY/STATE/ZIP CODE]** \_\_\_\_\_

Telephone Number (\_\_\_\_\_) \_\_\_\_\_

Email Address **[OPTIONAL]** \_\_\_\_\_

**EXHIBIT VI: AFFIDAVIT OF OWNERSHIP OR CONTROL**  
**SOLICITATION NO.: S37-T24571**

**6. Optional Information**

Contracting Entity and/or \_\_\_\_\_ [NAME OF OWNER OR NON-PROFIT OFFICER] is actively protesting, challenging or appealing the accuracy and/or amount of taxes levied against \_\_\_\_\_ [CONTRACTING ENTITY, OWNER OR NON-PROFIT OFFICER] as follows:

Name of Debtor: \_\_\_\_\_  
Tax Account Nos. \_\_\_\_\_  
Case or File Nos. \_\_\_\_\_  
Attorney/Agent Name \_\_\_\_\_  
Attorney/Agent Phone No. (\_\_\_\_\_) \_\_\_\_\_  
Tax Years \_\_\_\_\_

Status of Appeal [DESCRIBE] \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Affiant certifies that he or she is duly authorized to submit the above information on behalf of the Contracting Entity, that Affiant is associated with the Contracting Entity in the capacity noted above and has personal knowledge of the accuracy of the information provided herein, and that the information provided herein is true and correct to the best of Affiant's knowledge and belief.

\_\_\_\_\_  
Affiant

**SWORN TO AND SUBSCRIBED** before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

(Seal)

Notary Public

**NOTE:**

This affidavit constitutes a **government record** as defined by Section 37.01 of the Texas Penal Code. Submission of a false government record is punishable as provided in Section 37.10 of the Texas Penal Code. Attach additional pages if needed to supply the required names and addresses.

**EXHIBIT VII: DRUG DETECTION AND DETERRENCE  
PROCEDURES FOR CONTRACTORS  
SOLICITATION NO.: S37-T24571**

- (a) It is the policy of the City to achieve a drug-free workforce and to provide a workplace that is free from the use of illegal drugs and alcohol. It is also the policy of the City that the manufacture, distribution, dispensation, possession, sale or use of illegal drugs or alcohol by contractors while on City premises is prohibited. By executing this Contract, Contractor represents and certifies that it meets and shall comply with all the requirements and procedures set forth in the Mayor's Policy on Drug Detection and Deterrence, City Council Motion No. 92-1971 ("Mayor's Policy") and the Mayor's Drug Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), both of which are on file in the Office of the City Secretary.
- (b) Confirming its compliance with the Mayor's Policy and Executive Order, Contractor, as a condition precedent to City's obligations under this Contract, will have filed with the Contract Compliance Officer for Drug Testing ("CCODT"), prior to execution of this Contract by the City, (i) a copy of its drug-free workplace policy, (ii) the Drug Policy Compliance Agreement substantially in the format set forth in Attachment "A" to the Executive Order, together with a written designation of all safety impact positions, and (iii) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the format set forth in Attachment "C" to the Executive Order. If Contractor files written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every six (6) months during the performance of this Contract or upon the completion of this Contract if performance is less than six (6) months, a Drug Policy Compliance Declaration in a form substantially similar to Attachment "B" to the Executive Order. The Drug Policy Compliance Declaration shall be submitted to the CCODT within thirty days of completion of this Contract. The first six (6) month period shall begin to run on the date City issues its notice to proceed hereunder or if no notice to proceed is issued, on the first day Contractor begins work under this Contract.
- (c) Contractor shall have the continuing obligation to file with the CCODT written designations of safety impact positions and Drug Policy Compliance Declarations at anytime during the performance of this Contract that safety impact positions are added if initially no safety impact positions were designated. Contractor also shall have the continuing obligation to file updated designations of safety impact positions with the CCODT when additional safety impact positions are added to Contractor's employee work force.
- (d) The failure of Contractor to comply with the above Sections shall be a breach of this Contract entitling City to terminate in accordance with Article IV.

**EXHIBIT VII – ATTACHMENT “A”**  
**DRUG POLICY COMPLIANCE AGREEMENT**  
**SOLICITATION NO.: S37-T24571**

I, \_\_\_\_\_ as an owner or officer of  
 (Name) (Print/Type) (Title)  
 \_\_\_\_\_ (Contractor)  
 (Name of Company)

have authority to bind Contractor with respect to its bid, offer or performance of any and all contracts it may enter into with the City of Houston; and that by making this Agreement, I affirm that the Contractor is aware of and by the time the Contract is awarded will be bound by and agree to designate appropriate safety impact positions for company employee positions, and to comply with the following requirements before the City issues a notice to proceed.

1. Develop and implement a written Drug Free Workplace Policy and related drug testing procedures for the Contractor that meet the criteria and requirements established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Drug Policy) and the Mayor's Drug Detection and Deterrence Procedures for Contractors (Executive Order No. 1-31).
2. Obtain a facility to collect urine samples consistent with Health and Human Services (HHS) guidelines and a HHS certified drug testing laboratory to perform the drug tests.
3. Monitor and keep records of drug tests given and the results; and upon request from the City of Houston, provide confirmation of such testing and results.
4. Submit semi-annual Drug Policy Compliance Declarations.

I affirm on behalf of the Contractor that full compliance with the Mayor's Drug Policy and Executive Order No. 1-31 is a material condition of the contract with the City of Houston.

I further acknowledge that falsification, failure to comply with or failure to timely submit declarations and/or documentation in compliance with the Mayor's Drug Policy and/or Executive Order No. 1-31 will be considered a breach of the contract with the City and may result in non-award or termination of the Contract by the City of Houston.

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Contractor Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Title**

**EXHIBIT VII – ATTACHMENT “B”  
 DRUG POLICY COMPLIANCE DECLARATION  
 SOLICITATION NO.: S37-T24571**

I, \_\_\_\_\_ as an owner or officer of  
 \_\_\_\_\_  
 \_\_\_\_\_ (Contractor)  
 \_\_\_\_\_  
 \_\_\_\_\_ (Name of Company)

have personal knowledge and full authority to make the following declarations:

This reporting period covers the preceding six months from \_\_\_\_\_ to \_\_\_\_\_, 19\_\_\_\_\_.

\_\_\_\_\_ A written Drug Free Workplace Policy has been implemented and employees notified. The policy **Initials** meets the criteria established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Policy).

\_\_\_\_\_ Written drug testing procedures have been implemented in conformity with the Mayor's Drug **Initials** Detection and Deterrence Procedures for Contractors, Executive Order 1-31. Employees have been notified of such procedures.

\_\_\_\_\_ Collection/testing has been conducted in compliance with federal Health and Human Services **Initials** (HHS) guidelines.

\_\_\_\_\_ Appropriate safety impact positions have been designated for employee positions performing on **Initials** the City of Houston contract. The number of employees on safety impact positions during this reporting period is \_\_\_\_\_.

\_\_\_\_\_ From \_\_\_\_\_ to \_\_\_\_\_ the following testing has occurred.  
**Initials** (start date) (end date)

|                              | <u>Random</u> | <u>Reasonable<br/>Suspicion</u> | <u>Post<br/>Accident</u> | <u>Total</u> |
|------------------------------|---------------|---------------------------------|--------------------------|--------------|
| Number of Employees Tested   | _____         | _____                           | _____                    | _____        |
| Number of Employees Positive | _____         | _____                           | _____                    | _____        |
| Percent Employees Positive   | _____         | _____                           | _____                    | _____        |

\_\_\_\_\_ Any employee who tested positive was immediately removed from the City worksite consistent with the **(Initials)** Mayor's Policy and Executive Order No. 1-31.

\_\_\_\_\_ I affirm that falsification or failure to submit this declaration timely in accordance with established guidelines **(Initials)** will be considered a breach of Contract.

I declare under penalty of perjury that the affirmations made herein and all information contained in this declaration are within my personal knowledge and are true and correct.

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Contractor Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Title**

**EXHIBIT VII – ATTACHMENT “C” AND “D”  
 CONTRACTOR’S CERTIFICATION OF NO SAFETY IMPACT POSITIONS  
 SOLICITATION NO.: S37-T24571**

I, \_\_\_\_\_  
 (Name) (Print/Type) (Title)

as an owner or officer of \_\_\_\_\_  
 (Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has no employee safety impact positions as defined in §5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Contractor agrees and covenants that it shall immediately notify the City's Director of Personnel if any safety impact positions are established to provide services in performing this City Contract.

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Contractor Name

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Title

**CONTRACTOR'S CERTIFICATION OF NON-APPLICATION OF  
 CITY OF HOUSTON DRUG DETECTION AND DETERRENCE PROCEDURES  
 FOR CONTRACTORS**

**ATTACHMENT “D”**

I \_\_\_\_\_ as an owner or officer of  
 (NAME) (PRINT/TYPE)

\_\_\_\_\_ (Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has fewer than fifteen (15) employees during any 20-week period during a calendar year and also certify that Contractor has no employee safety impact positions as defined in 5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Safety impact position means a Contractor's employment position involving job duties that if performed with inattentiveness, errors in judgment, or diminished coordination, dexterity, or composure may result in mistakes that could present a real and/or imminent threat to the personal health or safety of the employee, co-workers, and/or the public.

\_\_\_\_\_  
**DATE**

\_\_\_\_\_  
**CONTRACTOR’S NAME**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**TITLE**

**EXHIBIT VIII – ANTI-COLLUSION STATEMENT**  
**SOLICITATION NO.: S37-T24571**

**Anti-Collusion Statement**

The undersigned, as Proposer, certifies that the only person or parties interested in this Proposal as principals are those named herein; that the Proposer has not, either directly or indirectly entered into any Agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the award of this Contract.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Proposer Signature

**EXHIBIT IX – CONFLICT OF INTEREST QUESTIONNAIRE**  
**SOLICITATION NO.: S37-T24571**

Chapter 176 of the Local Government Code requires every Vendor or Contractor with the City of Houston (“City”) to file a Conflict of Interest Questionnaire with the City Secretary of the City of Houston by the **seventh** business day after:

- (1) any contract discussions or negotiations begin, or
- (2) submitting an application, responses to requests for proposals, bids, correspondence, or any writing related to a potential Agreement with the City.

The Conflict of Interest Questionnaire is available for downloading from the Texas Ethics Commission’s website at <http://www.ethics.state.tx.us/forms/CIQ.pdf>. The completed Conflict of Interest Questionnaires will be posted on the City Secretary’s website. There will also be a list of the City’s Local Government Officers on the City of Houston’s website.

Additionally, each Vendor or Contractor must file updated questionnaires no later than **September 1<sup>st</sup>** of each year that the Vendor or Contractor seeks to contract with the City, or the **seventh** business day after the date of an event that would render the questionnaire incomplete or inaccurate.

However, a Vendor or Contractor is not required to file a new questionnaire in any year if the vendor has completed a questionnaire between June 1<sup>st</sup> and September 1<sup>st</sup> of that year, unless the previous questionnaire is incomplete or inaccurate.

Original Conflict of Interest Questionnaire shall be filed with Houston’s Records Administrator (Ms. Anna Russell, City Secretary, 900 Bagby, First Floor, Houston, Texas 77002). Vendors and Contractors shall include a copy of the form that was submitted to the City Secretary as part of the Bid Package. Any questions about filling out this form should be directed to your attorney

Failure of any Vendor or Contractor to comply with this law is a Class-C misdemeanor.

# EXHIBIT IX – CONFLICT OF INTEREST QUESTIONNAIRE

## SOLICITATION NO.: S37-T24571

### CONFLICT OF INTEREST QUESTIONNAIRE

For vendor or other person doing business with local governmental entity

**FORM CIQ**

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).  
 By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.  
 A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

| OFFICE USE ONLY |
|-----------------|
| Date Received   |
|                 |

**1** Name of person who has a business relationship with local governmental entity.

**2**  Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

**3** Name of local government officer with whom filer has employment or business relationship.

\_\_\_\_\_

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

Yes       No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

Yes       No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

Yes       No

D. Describe each employment or business relationship with the local government officer named in this section.

**4**

\_\_\_\_\_  
Signature of person doing business with the governmental entity

\_\_\_\_\_  
Date

# EXHIBIT X – PAY OR PLAY PROGRAM REQUIREMENTS

## SOLICITATION NO.: S37-T24571

### I. Pay or Play Program Elements

#### A. Purpose

Authorized by Ordinance 2007-534 and Executive Order 1-7, the purpose of the Pay or Play Program is (1) to create a more level playing field among competing contractors so that those who provide health benefits to their employees are not disadvantaged in the bidding process; and 2) to recognize and account for the fact that there are costs associated with the health care of the uninsured.

#### B. Program Elements

1. Covered Contracts: Contracts covered by the program are those that are advertised after July 1, 2007, which are valued at or above \$100,000 and are not primarily for the procurement of property, goods, supplies or equipment.
2. Covered employees: This program applies to employees of a covered Contractor or Subcontractor, including Contract labor, who are over age 18, work at least 30 hours per week and work any amount of time under a covered city Contract or Subcontract.
3. Compliance with the program means that the Contractor either:
  - “Pays” by contributing \$1.00 per covered employee per hour for work performed under the Contract with the City; or
  - “Plays” by offering health benefits to covered employees. Health benefits must meet or exceed the following standards:
    - The employer will contribute no less than \$150 per covered employee per month toward the total premium cost.
    - The employee contribution, if any amount, will be no greater than 50% of the total monthly premium cost.
4. Subcontracts: The Prime Contractor is responsible for compliance on behalf of covered employees, including Contract labor, of subcontractors with subcontracts valued at or greater than \$200,000, if the Subcontract is not primarily for the procurement of property, goods, supplies or equipment. Subcontractor compliance includes submission of applicable reports and/or payments to the Prime, as well as maintenance of records.
5. Exemptions/Waivers: The City of Houston will award a Contract to a Contractor that neither Pays nor Plays only if the Contractor has received an approved waiver.
6. Administration: Contractor performance in meeting Pay or Play program requirements will be managed by the contracting department. The Office of Affirmative Action and Contract Compliance will have administrative oversight of the program, including audit responsibilities. Questions about the program should be referred to the department POP Liaison or the Office of Affirmative Action and Contract Compliance.

# **EXHIBIT X – PAY OR PLAY PROGRAM REQUIREMENTS**

## **SOLICITATION NO.: S37-T24571**

### **II. Documentation and Reporting Requirements**

A. Document that must be signed and returned to administering department with the Bid/Proposal.

1. Notice to Prospective City Contractors (Form POP-1A) acknowledges Bidder/Proposers' knowledge of the program and its requirements, and the intention to comply.

B. Documents that must be signed and returned to administering department within a period designated by the department's Contract Administrator, upon notification of low Bidder or successful Proposer status:

1. Certification of Contractor's Intent to Comply with Pay or Play Program (Form POP-2). Note Contractors that opt to "play" must provide proof of coverage, including documentation from insurance provider, and names of covered employees.
2. List of Participating Subcontractors (Form POP-3).

C. The Contractor will comply with the following reporting requirements:

1. Contractors that opt to Play  
Provide periodic reports to the Contract administrator showing proof of coverage. Reporting schedule will be determined by administering department based on length of Contract. (Form POP-7.)
2. Contractors that opt to Pay  
Provide monthly reports to administering department, detailing names of employees, hours worked, exemptions (if any) and amount owed. (Form POP-5.)

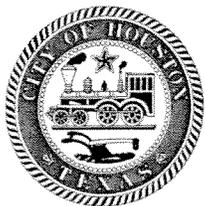
Contractors shall submit an initial report with the second invoice to the department. Payments based on monthly reports are due to the contracting department with submission of the following month's invoice. Payments may be made via wire transfer, provided that proof of transaction is submitted to administering department.

### **III. Compliance and Enforcement**

The Office of Business Opportunity (OBO) and Contract Compliance Office will audit program compliance. Contractors willfully violating or misrepresenting POP program compliance will be subject to corrective and/or punitive action, including but not limited to the assessment of fines and penalties and/or debarment.

The Pay or Play Program Requirements Form (POP-1) and all other POP Forms are available for downloading from the City of Houston's Website at <http://www.houstontx.gov/aacc/popforms.html>

**EXHIBIT X – FORM “1A”**  
**PAY OR PLAY PROGRAM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: S37-T24571**



**What this form does.** This form acknowledges your awareness of the Pay or Play program. Your signature affirms that you will comply with the requirements of the program if you are the successful Bidder/Proposer, and ensure the same on behalf of subcontracts subject to the Pay or Play Program.

If you cannot make this assurance now, do not return this form.

**For more information, contact the Contract Administrator.**

**Routing.** Return this form with your Bid or Proposal.

I declare under penalty of perjury under the laws of the State of Texas that if awarded a contract, I will comply with the requirements of the Pay or Play Program.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
City Vendor ID

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
E-Mail Address

**EXHIBIT X – FORM “2”  
PAY OR PLAY PROGRAM CERTIFICATE OF AGREEMENT  
SOLICITATION NO.: S37-T24571**

Contractor Name: \_\_\_\_\_ \$ \_\_\_\_\_  
(Contractor/Subcontractor) (Amount of Contract)

Contractor Address: \_\_\_\_\_

Project No.: [GFS/CIP/AIP/File No.] \_\_\_\_\_

Project Name: [Legal Project Name] \_\_\_\_\_

POP Liaison Name: \_\_\_\_\_

In accordance with the City of Houston Pay or Play Program authorized by Ordinance 2007-534 and Executive Order 1-7, Contractor/Subcontractor agrees to abide by the terms of this Program. This certification is required of all contractors for contracts subject to the program. You must agree EITHER to PAY or to PLAY for all covered employees. The Contractor/Subcontractor may also Pay on behalf of some covered employees and Play on behalf of other covered employees.

The Contractor/Subcontractor will comply with all provisions of the Pay or Play Program and will furnish all information and reports requested to determine compliance with program requirements of the Pay or Play Program (See Executive Order 1-7 for the terms of the Pay or Play program) The criteria of the program is as follows:

The Contractor/Subcontractor agrees to “Pay” \$1.00 per hour for work performed by covered employees under the contract with the City. If independent contract labor is utilized the Contractor/Subcontractor agrees to report hours worked by the independent contract laborer and pay \$1.00 per hour for work performed.

Otherwise the Contractor/Subcontractor agrees to “Play” by providing health benefits to each covered employee. The health benefits must meet the following criteria:

1. The employer will contribute no less than \$150 per employee per month toward the total premium cost for single coverage only; and
2. The employee contribution, if any amount, will be no greater than 50% of the total premium cost and no more than \$150 per month.
3. Pursuant to E.O. 1-7 section 4.04 a contractor is deemed to have complied with respect to a covered employee who is not provided health benefits if the employee refuses the benefits and the employee’s contribution to the premium is no more than \$40 per month.

|                                      |     |      |      |
|--------------------------------------|-----|------|------|
| Please select whether you choose to: | Pay | Play | Both |
|                                      |     |      |      |

The Contractor/Subcontractor will file compliance reports with the City, which will include activity for covered employees subject to the program, in the form and to the extent requested by the administering department. Compliance reports shall contain information including, but not limited to, documentation showing employee health coverage and employee work records. **Note: The Contractor is responsible to the City for the compliance of covered employees of covered subcontractors and only forms that are accurate and complete will be accepted.**

| *Estimated Number of:       | Prime Contractor | Sub-Contractor |
|-----------------------------|------------------|----------------|
| Total Employees on City Job |                  |                |
| Covered Employees           |                  |                |
| Non-Covered Employees       |                  |                |
| Exempt Employees            |                  |                |

\*Required  
 I hereby certify that the above information is true and correct.

\_\_\_\_\_  
 CONTRACTOR (Signature) DATE

\_\_\_\_\_  
 NAME AND TITLE (Print or Type)