

STRATEGIC PROCUREMENT DIVISION	CITY OF HOUSTON, TEXAS NOTICE OF REQUEST FOR PROPOSAL (RFP) SOLICITATION NO.: S30-T24928	"PARTNERING TO BETTER SERVE HOUSTON"
--------------------------------------	---	---

NIGP CODE: 990-41

SOLICITATION DUE DATE/TIME: May 29, 2014 at 2:00 P.M., CST

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

DESCRIPTION: AVIATION CHANNELING SERVICES FOR THE HOUSTON AIRPORT SYSTEM (HAS)

PRE-PROPOSAL CONFERENCE:	<table border="0"> <tr> <td data-bbox="698 1022 763 1050"><i>Date</i></td> <td data-bbox="933 1022 998 1050"><i>Time</i></td> <td data-bbox="1201 1022 1323 1050"><i>Location</i></td> </tr> <tr> <td data-bbox="641 1060 812 1102">April 29, 2014</td> <td data-bbox="893 1060 1039 1102">10:00 A.M. .</td> <td data-bbox="1120 1060 1414 1180">HAS SUPPLY CHAIN MANAGEMENT 18600 LEE ROAD, Conf. Rm. 113, HUMBLE, TX 77338</td> </tr> </table>	<i>Date</i>	<i>Time</i>	<i>Location</i>	April 29, 2014	10:00 A.M. .	HAS SUPPLY CHAIN MANAGEMENT 18600 LEE ROAD, Conf. Rm. 113, HUMBLE, TX 77338
<i>Date</i>	<i>Time</i>	<i>Location</i>					
April 29, 2014	10:00 A.M. .	HAS SUPPLY CHAIN MANAGEMENT 18600 LEE ROAD, Conf. Rm. 113, HUMBLE, TX 77338					

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 Proposer'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.

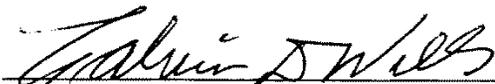
PROPOSERS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION

Solicitation Contact Person:
Richard Morris

Name

richard.morris@houstontx.gov

E-Mail Address



City Purchasing Agent
April 18, 2014

Date

1.0 SUBMITTAL PROCEDURE:

- 1.1 Eight (8) copies of the Proposal, including one (1) printed original signed in BLUE ink, and additional two (2) electronic CD 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 Proposer. Proposer(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 blue 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 Proposer(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 Proposer(s) should plan to attend. It will be assumed that potential Proposer(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 Finance Department, Strategic Procurement Division Buyer, **Richard Morris**, telephone: **832.393.8736**, fax: **832.393.8759**, or e-mail (preferred method to): **richard.morris@houstontx.gov**, no later than **May 6, 2014 at 5:00 p.m.** CST. The City of Houston shall provide written response to all questions received in writing before the submittal deadline. Questions received from all Proposer(s) shall be answered and sent to all Proposer(s) who are listed as having obtained the RFP. Proposer(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 Proposer(s).

SPECIAL INSTRUCTIONS TO PROPOSER(S)
SOLICITATION NO. S30-T24928

6.0 EXAMINATION OF DOCUMENTS AND REQUIREMENTS:

- 6.1 Each Proposer 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.
- 6.2 Before submitting a Proposal, each Proposer 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 Proposer 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 Proposer 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 Proposer'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 PROPOSER(S):

- 8.1 It is the City's intent to commence final negotiation with the Proposer(s) deemed most advantageous to the City. The City reserves the right to conduct post-Proposal discussions with any Proposer(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 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 NO CONTACT PERIOD:

- 10.1 Neither bidder(s) nor any person acting on bidder(s)'s behalf shall attempt to influence the outcome of the award by the offer, presentation or promise gratuities, favors, or anything of value to any appointed or elected official or employee of the City of Houston, their families or staff members. All inquiries regarding the solicitation are to be directed to the designated City Representative identified on the first page of the solicitation. Upon issuance of the solicitation through the pre-award phase and up to the date the City Secretary publicly posts notice of any City

SPECIAL INSTRUCTIONS TO PROPOSER(S)
SOLICITATION NO. S30-T24928

Council agenda containing the applicable award, aside from bidder's formal response to the solicitation, through the pre-award phase, written requests for clarification during the period officially designated for such purpose by the City Representative, neither bidder(s) nor persons acting on their behalf shall communicate with any appointed or elected official or employee of the City of Houston, their families or staff through written or oral means in an attempt to persuade or influence the outcome of the award or to obtain or deliver information intended to or which could reasonably result in an advantage to any bidder. However, nothing in this paragraph shall prevent a bidder from making public statements to the City Council convened for a regularly scheduled session after the official selection has been made and placed on the City Council agenda for action, or to a City Council committee convened to discuss a recommendation regarding the solicitation.

REMAINING PORTIN OF PAGE INTENTIONALLY LEFT BLANK

UNIFORM INSTRUCTIONS TO PROPOSER(S)
SOLICITATION NO. S30-T24928

- 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 Proposer by parties other than the City, at any time during the Proposal evaluation process.
- 4.0 In the event a Proposer 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 Proposer(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 Proposer(s) shall not collude in any manner, or engage in any practices, with any other Proposer(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 Proposer. The copying or paraphrasing of the work product of another Proposer is not permitted.
- 8.0 The RFP and the related responses of the selected Proposer will by reference (within either a contract or purchase order) become part of any formal Agreement between the selected Proposer and the City. The City and the selected Proposer 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 Proposer, the City reserves the right to select an alternative Proposer. The City reserves the right to negotiate with alternative Proposer the exact terms and conditions of the contract.
- 9.0 Proposer(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 **July 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 PROPOSER(S)
SOLICITATION NO. S30-T24928

- 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 Proposer(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 Proposer 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.
- 25.0 The City of Houston reserves the right to cancel this RFP, accept or reject, in whole or in part, any or all bids received and to make award on the basis of individual items or combination of items, as it is deemed in the best interest of the City.

REMAINING PORTIN OF PAGE INTENTIONALLY LEFT BLANK

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO.: S30-T24928

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.

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO.: S30-T24928

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:

3.2.1 Commercial General Liability Insurance including Contractual Liability:

3.2.1.1 \$500,000 per occurrence

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO.: S30-T24928

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.

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.

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO.: S30-T24928

- 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.
- 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

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO.: S30-T24928

- 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 AIRPORT SECURITY:

- 4.1 Contractor shall comply with all HAS, TSA, FAA and any other governmental agency security directives, rules and regulations. The FAA and/or the TSA may assess fines and/or penalties for Contractor's non-compliance with the provisions of 49 CFR and 1542, as amended from time to time, or by other agencies for noncompliance with laws or regulations applicable to Contractor's operations. Within 10 days of notification in writing, Contractor shall reimburse the City for any fine or penalty assessed against the City because of Contractor's non-compliance with 49 CFR 1540 and 1542 or other applicable laws or regulations.

5.0 CONTRACTOR PERFORMANCE LANGUAGE:

- 5.1 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.

6.0 INSPECTIONS AND AUDITS:

- 6.1 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.

7.0 ACCEPTANCE AND APPROVALS:

- 7.1 Any acceptance or approval by the City, or its agents or employees shall not constitute nor be deemed to be a release of the responsibility and liability of the Contractor, its employees, agents, subcontractors, or suppliers for the accuracy, competency, and completeness for any documents prepared or services performed pursuant to the terms and conditions of this Agreement, nor shall acceptance or approval be deemed to be an assumption of such responsibility or liability by the City, or its agents and employees, for any defect, error or omission in any documents prepared or services performed by the Contractor, its employees, agents, subcontractors or suppliers pursuant to this Agreement.

8.0 INTERPRETING SPECIFICATIONS:

- 8.1 *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 Proposer(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.*
- 8.2 Changes in the specifications, terms and conditions of this RFP will be made in writing by the City prior to

SPECIAL TERMS AND CONDITIONS

SOLICITATION NO.: S30-T24928

the Proposal due date. Results of informal meetings or discussions between a potential Proposer(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.

9.0 CONTRACTOR DEBT:

9.1 **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 THEREFORE.**

10.0 LOCAL MINORITY/WOMEN BUSINESS ENTERPRISE PARTICIPATION:

10.1 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 **0%** 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.

11.0 CITY CONTRACTORS' PAY OR PLAY PROGRAM:

11.1 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.

12.0 CITY CONTRACTOR OWNERSHIP DISCLOSURE ORDINANCE:

12.1 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.

12.2 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.

13.0 CITY OF HOUSTON FAIR CAMPAIGN ORDINANCE:

13.1 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.

14.0 DRUG DETECTION AND DETERRENCE PROCEDURES FOR CONTRACTORS:

14.1 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,

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO.: S30-T24928

as a condition to the award of any contract for labor or services, a successful Proposer(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.

15.0 HIRE HOUSTON FIRST:

15.1 Designation as a City Business or Local Business

15.1.1 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.

15.1.2 **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>

15.1.3 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 or faxed to 832.393.0952 or Applications may be submitted with proposal response.

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

15.2.1 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.

16.0 TERMINATION FOR CONVENIENCE BY THE CITY:

16.1 The City Purchasing Agent or Director may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City’s right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

16.2 On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under the Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date. The City shall then pay the fees to Contractor for services actually performed, but not already paid for.

16.3 TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR’S ONLY REMEDIES FOR THE CITY’S TERMINATION FOR CONVENIENCE,

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO.: S30-T24928

WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

17.0 TERMINATION FOR CAUSE BY CITY:

17.1 If Contractor defaults under this Agreement, the City Purchasing Agent or Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

17.1.1 Contractor fails to perform any of its duties under this Agreement;

17.1.2 Contractor becomes insolvent;

17.1.3 All or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or

17.2.4 A receiver or trustee is appointed for Contractor.

17.2 If a default occurs, the City Purchasing Agent or Director may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The City Purchasing Agent or Director at his or her sole option, may extend the termination date to a later date. If the City Purchasing Agent or Director allows Contractor to cure the default and Contractor does so to the City Purchasing Agent's or Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the City Purchasing Agent or Director may terminate this Agreement on the termination date, at no further obligation of the City.

17.3 To effect final termination, the City Purchasing Agent or Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

18.0 TERMINATION FOR CAUSE BY CONTRACTOR:

18.1 Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date.

18.2 The date must be at least 30 days after the Director receives notice. Contractor, at its sole option, may extend the proposed termination date to a later date. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

19.0 STANDARD PAYMENT TERMS

19.1 The City of Houston's standard payment term is to pay 30 days after receipt of invoice or receipt of goods or services, whichever is later, according to the requirements of the Texas Prompt Payment Act (Tx. Gov't Code, Ch. 2251). However, the City will pay in less than 30 days in return for an early payment discount from vendor as follows:

- Payment Time - 10 Days: 2% Discount
- Payment Time - 20 Days: 1% Discount

SPECIAL TERMS AND CONDITIONS
SOLICITATION NO.: S30-T24928

- 19.2 A vendor may elect not to offer a discount for early payment and the City will make payment net 30 days. Discounts will not be considered in the award evaluation.
- 19.3 If the City fails to make a payment according to the early payment schedule above, but does make the pay no other penalty. When the payment date falls on a Saturday, Sunday, or official holiday when City offices are closed and City business is not expected to be conducted, payment may be made on the following business day.

20.0 PROCUREMENT TIMELINE/SCHEDULE:

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

<u>EVENT</u>	<u>DATE</u>
Date of RFP Issued	April 18, 2014
Pre-Proposal Conference	April 29, 2014
Questions from Proposers Due to City	May 6, 2014
Proposals Due from Proposer(s)	May 29, 2014
Notification of Intent to Award (<i>Estimated</i>)	June 20, 2014
Council Agenda Date (<i>Estimated</i>)	July 30, 2014
Contract Start Date (<i>Estimated</i>)	August 8, 2014

REMAINING PORTIN OF PAGE INTENTIONALLY LEFT BLANK

SPECIFICATIONS / SCOPE OF WORK

SOLICITATION NO.: S30-T24928

1.0 BACKGROUND

- 1.1 This Agreement is for AVIATION CHANNELING SERVICES for the Houston Airport System (hereinafter referred to as "HAS"). These services serve a vital role in the efficient operation of the HAS.
- 1.2 HAS operates the City of Houston's three (3) Airports:
- 1.2.1 George Bush Intercontinental Airport/Houston (IAH)
 - 1.2.2 William P. Hobby Airport (HOU)
 - 1.2.3 Ellington Airport (EFD)
- 1.3 Management of the airports includes coordination with FAA, air carriers, and other Federal and State agencies to maintain the highest standards of service and safety to Airport patrons.
- 1.4 The annual volume of badged individuals for IAH is approximately 26,700 and HOU 8,000.

2.0 SCOPE OF BASIC SERVICES

- 2.1 Contractor shall be in compliance with the Transportation Security Administration (TSA) regulations and guidance in order to provide Aviation Channeling Services for HAS.
- 2.2 Contractor shall be authorized by TSA.
- 2.3 HAS shall collect biometric and biographic information from applicants and transmit the information to the Contractor for processing.
- 2.4 HAS shall provide the Contractor with badge applicant biometric and biographical data, Contractor shall transmit data to TSA or other appropriate government agency for processing of Criminal History Record Checks (CHRC), Security Threat Assessments (STA), and to Customs and Border Protection (CBP).
- 2.5 All service shall be in accordance with the highest standards prevailing in the industry, as well as applicable codes, rules, regulations, laws, and practices governing the work. These standards will be achieved and maintained by continuous improvement through open communications with HAS, regular management reviews, and industry guidelines.
- 2.6 Contractor shall perform Work for IAH and HOU or as specified by HAS.
- 2.7 Work under this Agreement shall only be initiated by the Contractor after receiving a written Notice to Proceed (NTP) signed by the Director/City Purchasing Agent.
- 2.8 Contractor shall provide HAS with web access to search any badge holder or applicant's STA, CHRC, or CBP status, (send and received times) at any time, 24/7. This provision is only upon initiation of CBP's eBadge program.
- 2.9 Contractor shall be paid for each of the Airport's (IAH and HOU) enrollments as provided.

3.0 INTERFACE TO SEND BIOMETRIC AND BIOGRAPHIC DATA:

- 3.1 Contractor shall provide a system interface (such as secure web services) to allow HAS to send biometric and biographic data in one single data submission directly from HAS systems. Criminal History Record Checks (CHRC) and Security Threat Assessments (STA) results as well as status updates shall be sent by the Contractor as statuses change or frequency agreed upon by HAS and Contractor to the applicant records in the badging system of record. The current badging system of record is Pro-Watch, a Honeywell system. The Contractor is required to hire Honeywell to complete the interface to the Pro-Watch or system specified by HAS.

SPECIFICATIONS / SCOPE OF WORK

SOLICITATION NO.: S30-T24928

3.2 The interface configuration effort will commence upon HAS approval of the Contractor's technical interface plan and documentation. The Contractor will also submit to HAS the User Acceptance Text (UAT) plan prior to proceeding with the work. A fully functional test environment will be configured and tested prior to starting work on the Production environment. The Contractor will be expected to provide user training documentation, as well as updates to the interface documentation, upon completion of the configuration.

3.3 Contractor shall demonstrate interface capabilities upon Notice to Proceed (NTP) and at that time, Contractor, Honeywell and HAS will meet to discuss the system and plan. The Contractor shall document the detailed technical plan, schedule, and provide user acceptance plan for HAS approval. The interface shall be operational per the requirement within the agreed upon time frame, which is not to exceed three months from NTP. User acceptance team will include Contractor, Honeywell and HAS Technology representative(s) or designee(s).

4.0 INTERFACE REQUIREMENTS:

4.1 HAS will send applicant data on a daily or hourly basis to Contractor's system as agreed by the Contractor and HAS.

4.2 Contractor's system will send responses back to HAS as statuses change. These responses include:

4.2.1 Confirm receipt of new applicant.

4.2.2 Update results to indicate status of still in process, error, or passed.

4.2.3 Error results must include reason description or reason code. The Contractor's ability to correct errors.

4.2.4 Passed results must include date passed.

4.3 A secure virtual private network (VPN) tunnel is required or other communication method approved by HAS Technology. The Contractor shall work with HAS Technology to establish a secure connection.

5.0 INTERFACE WITH CUSTOMS AND BORDER PROTECTION (eBadge):

5.1 HAS is currently piloting a National Customs and Border Protection electronic badging initiative called eBadge. The overall objective of the program is to streamline the approval process by transmitting the CBP access request with the initial data transmission and accepting the CBP response through the same protocol. The Contractor shall participate in the development and facilitation of the program, including providing necessary data components and interfaces that may be required.

6.0 OUT-OF-SERVICE CREDITS

6.1 Whenever Aviation Channeling Services are unavailable for processing; Contractor and the Director or designee agree that Contractor shall pay service credits as follows:

6.1.1 When Aviation Channeling Services experience delays or system is inoperable for twenty-four (24) hours Contractor will notify HAS representative immediately.

6.1.2 If Contractor is unable to restore full service within the twenty-five (25) hour, then out-of-service credits shall be assessed in the amount of \$25.00 for each fifteen (15) minutes interval until the situation is rectified. The situation shall be considered rectified when acceptable service is verified by the Director or designee.

6.1.3 The twenty-five (25) hour referenced above shall begin if more than twenty-four (24) hours elapse before Contractor restores full applicant processing services.

6.1.4 During lapses of service, HAS reserves the right to hire other Contractor(s) to restore service or rectify problems at Contractor's expense.

SPECIFICATIONS / SCOPE OF WORK

SOLICITATION NO.: S30-T24928

- 6.1.4.1 Service credits will not be assessed in those instances where inoperable systems are a result of an accident caused by others and not due to Contractor error or negligence; nor will service credits be assessed when Force Majeure conditions occur, or when the system is taken out of service to accomplish preplanned, HAS approved activity.
- 6.1.4.2 The parties further agree that the assessment of service credits for the specific situations mentioned in this section will be the exclusive remedy of HAS in lieu of all other considerations that may be assessed. However, nothing in this section will be construed to prejudice, limit or otherwise impair HAS's termination rights enumerated in the Agreement. Additionally, assessment of service credits will never be construed as an exclusive remedy for any other damage incurred as the result of the breach of any other covenants, conditions or obligations contained in this Agreement and HAS shall always have the right to avail itself of other remedies available to it in law or equity.
- 6.1.5 The Director or designee shall have the discretionary right to assess out-of-service credits in amounts of \$100.00 per occurrence if data is lost.
- 6.1.6 At the Director's or designee sole discretion, assessed credits may be waived.
- 6.1.7 Proposer and HAS stipulate and agree that any such assessment shall not be construed as a penalty; rather, Proposer and HAS stipulate that the damages due to system issue(s) will be difficult to measure and ascertain and as such the necessity of out-of-service credits. Proposer shall pay any assessment of out-of-service credits by the Director to HAS within ten (10) days of receipt of an invoice for system failure.

7.0 GENERAL

- 7.1 Contractor shall provide quality assurance and error corrections for submissions to the TSA.
- 7.2 Contractor shall ensure that the data transmitted to TSA is secured in accordance with the Federal Information Security Management Act (FISMA), Department of Homeland Security (DHS) 4300a controls, and appropriate DHS and TSA security policies.
- 7.3 Contractor shall ensure that processes are in strict accordance with TSA and FBI regulations and guidance. Contractor shall maintain the highest standards for privacy of the employee information.
- 7.4 Labor rates are inclusive of all profit, overhead, benefits, equipment, insurance, transportation and other incidentals required to accomplish the work.
- 7.5 Contractor shall provide Aviation Channeling Services under this Agreement, using Contractor's personnel for safe and efficient services. The Contractor shall ensure that the Aviation Channeling Services and related equipment are operational at all times in accordance with best practices prevailing in the industry, observing OEM recommended procedures and complying with applicable Occupational Safety and Health Act (OSHA) and other applicable municipal, state, and federal safety standards.
- 7.6 Contractor shall have a dedicated aviation security policy staff with a proven track record of advocating on behalf of airport operations at the federal level on aviation security policy issues that could impact an airport's badging operations.

8.0 LEVELS OF SERVICE

- 8.1 Contractor shall provide customer support to IAH and HOU via telephone or email during normal business hours (7:00 a.m. – 4:00 p.m. CST Monday – Friday) for questions regarding services and coordinate the resolution of HAS problems regarding TSA's technical and procedural issues.
- 8.2 Customer Support

SPECIFICATIONS / SCOPE OF WORK

SOLICITATION NO.: S30-T24928

- 8.2.1 General support questions or issues shall be reported to the Contractor via phone or email (as agreed upon by HAS) and the Contractor shall respond within 24 hours.
- 8.2.2 Any general support question or issue that cannot be answered upon initial response to HAS shall be tracked by the Contractor and handled within 5 business days unless deemed a high priority issue.
- 8.2.3 A customer support call shall be deemed a High Priority service issue if it involves any delays in processing applicants for STA, CHRC, and CBP clearances. Expected resolution of a High Priority event is within 24 hours from Contractor acknowledgement of the issue.
- 8.2.4 Any delay of an applicant's processing in excess of 24 hours due to a system issue shall result in manual processing of the applicant by the Contractor. While engaged in manual processing there shall be no charge to HAS

8.3 System Uptime

- 8.3.1 Scheduled maintenance shall be handled to not impact normal system operations.
- 8.3.2 Unexpected outages should be reported to HAS representative immediately and an expected time to return to normal operations should be provided.
- 8.3.3 Unexpected outages should not cause delays in processing applicants for STA, CHRC, and CBP clearances for more than 24 hours. After that time, if the system has not resumed normal operations a backup process shall be initiated.
- 8.3.4 Contractor shall provide an explanation of the backup process in the event the entire system or system interface is out of service for more than 24 hours.

9.0 CONFIDENTIALITY AND PRIVACY

- 9.1 Each party agrees that all proprietary or confidential information disclosed by the other party in connection with this Agreement shall be protected from risk of disclosure to others with the same degree of care that the receiving party accords to its own confidential or proprietary information.
- 9.2 Contractor shall comply with the state statute "Identity Theft Enforcement and Protection Act" <http://www.statutes.legis.state.tx.us/DocViewer.aspx?K2DocKey=odbc%3a%2f%2fSOTW%2fASUPUBLIC.dbo.vwSOTW%2fBC%2fS%2fBC.521%40SOTW&QueryText=Identity%3cOR%3eTheft%3cOR%3eEnforcem ent%3cOR%3eProtection%3cOR%3eAct&HighlightType=1>

10.0 INTELLECTUAL PROPERTY RIGHTS

- 10.1 Contractor and HAS acknowledge that both parties and/or third parties retain all right, title and interest under applicable contractual, copyright, intellectual property, and related laws to their previously owned, developed or obtained intellectual property and any enhancements and modifications to same and in the databases and information contained therein used to provide either party's products or services hereunder, and the parties shall use such materials consistent with such right, title and interest and notify the applicable party of any threatened or actual infringement thereof.

11.0 DATA PROTECTION

- 11.1 Contractor shall protect HAS provided data, including biometric and biographic information providing HAS with the highest level of service. HAS provided data, which includes personal information sent to Contractor, shall not be disclosed, made available or otherwise used for any purposes other than for those purposes of completing fingerprint-based criminal history record checks and security threat assessments as prescribed by federal regulation or other forms of government mandates or requests or as mutually agreed upon by HAS and Contractor. Fingerprint and biographical information can be used for other purposes only with the data provider's express permission or as required to comply with

SPECIFICATIONS / SCOPE OF WORK
SOLICITATION NO.: S30-T24928

applicable laws.

11.2 Contractor shall not disclose to any third parties HAS provided information.

12.0 PERSONNEL REQUIREMENTS

12.1 GENERAL

12.2 Contractor shall provide a list of all Contractor employees to HAS. The list must state each employee's name, job title, and assigned responsibilities.

12.3 STAFFING

12.4 Contractor shall furnish the necessary number of personnel, fully competent, qualified, and skilled in all trades necessary to fulfill the requirements of this Agreement.

12.5 Contractor shall at all times enforce discipline and good order among its employees and shall employ only reliable persons who are skilled and experienced in their assigned task(s) under this Agreement.

12.6 SECURITY

12.7 Contractor shall comply with all applicable Federal rules governing security at the Airport, as may be amended from time to time.

12.8 Contractor shall reimburse the City for any fines or penalties incurred by the City as a result of Contractor's non-compliance with security regulations.

13.0 ADMINISTRATIVE TASKS

13.1 RECORDS

13.1.1 Contractor shall maintain CHRC and STA results for all active badge holders. All records produced and maintained are the property of HAS. Upon expiration or termination of this Agreement, all records shall be provided to HAS. All sensitive information generated during the term of this Agreement shall be in compliance with HAS security practices and or government mandates/regulations.

13.2 STOP-WORK

13.2.1 Contractor shall be responsible for the enforcement of all safety requirements for any Work performed under this Agreement. If Contractor fails or refuses to promptly comply with safety requirements, the Director may issue an order stopping all or part of the Work until satisfactory corrective action has been taken. No part of the time lost due to any such order will be made the subject of a claim for extension of time or for excess costs or damages to Contractor.

14.0 TERM

14.1 The service provided by this Agreement is for a three (3) year term. Upon expiration of the Initial Term, the City of Houston reserves the option of extending the agreement on an annual basis for two (2) additional one-year terms.

15.0 TIME EXTENSIONS

15.1 If HAS requests an extension of time to complete its performance, then the HAS Chief Procurement Officer may, in its sole discretion, extend the time so long as the extension does not exceed one hundred eighty (180) days. The extension must be in writing but does not require amendment of this Agreement. Contractor is not entitled to damages for delay(s) regardless of the cause of the delay(s).

SPECIFICATIONS / SCOPE OF WORK
SOLICITATION NO.: S30-T24928

17.0 **PUBLIC RELATIONS**

17.1 The Contractor agrees that neither it nor its agents, subcontractors or employees shall issue or make any statement regarding this Agreement, its performance under this Agreement, or on behalf of the City with respect to any incident occurring at the Airports, or at any City facility, except when requested to do so by the Director.

18.0 **HAS QUALITY ASSURANCE**

18.1 HAS may use a variety of inspection methods to evaluate Contractor's performance including performance review conference calls, customer complaints, etc.

18.2 The Contractor shall maintain a plan to ensure the integrity of the data that is submitted by HAS.

18.3 The Contractor shall have practices in place to ensure data is not lost due to system or power failure or due to natural or man-made disaster. The Contractor shall implement other quality assurance measures as requested by the Director from time to time throughout the term.

19.0 **INCREASE OR DECREASE OF WORK - INCLUSION/EXCLUSION**

19.1 From time to time throughout the Term of this Agreement, the Director may, by written notice to Contractor, increase and/or decrease the Work. The Contractor's sole compensation for such adjustment will be mutually agreed between the Director and Contractor. The Director's decision is final.

20.0 **COORDINATE PERFORMANCE**

20.1 **HAS CONTACT**

20.1.1 The Contractor shall coordinate its performance with such persons as the Director designates in writing to Contractor. The Contractor shall keep said persons currently advised of developments relating to the performance of this Agreement and Contractor shall at all appropriate times advise and consult with the Director.

20.2 **PRE-PERFORMANCE CONFERENCE CALL**

20.2.1 Prior to commencing performance under this Agreement, Contractor shall participate in a pre-performance conference call with HAS. HAS will specify the time and date of call in a written notice to Contractor. Representatives of Contractor present for the pre-performance conference call shall include key personnel whom Contractor has assigned to this Agreement and who shall be authorized to bind Contractor in matters relating to the following pre-performance conference items. However, the Director will have the right to further designate other representatives of Contractor who must be present at the pre-performance conference call and such designated representatives shall be present. Items to be addressed at the pre-performance conference call include the following:

- 20.2.1.1 Contract Administration
- 20.2.1.2 Channels of communication
- 20.2.1.3 Review of key personnel
- 20.2.1.4 Organization and function charts reflecting the line of management authority
- 20.2.1.5 Procedures to be used to ensure Agreement requirements are met.

20.3 **COORDINATION OF CONFERENCE CALLS**

20.3.1 Throughout the term of this Agreement and any extensions thereto, Contractor shall participate in conference calls with HAS, on a frequency determined by the Director, to identify and resolve performance issues. Notice of any such performance conference call may be given by the Director to Contractor either orally or in writing and will designate the time and date, Contractor's attendees, and general purpose. Contractor's

SPECIFICATIONS / SCOPE OF WORK
SOLICITATION NO.: S30-T24928

designated attendees shall be present at any such performance conference call for its duration and shall prepare minutes. The conference call minutes must be transcribed by Contractor in typewritten form and must be submitted to the Director for approval within five (5) days of any such conference call. The Director will have the right to dispute the accuracy of the minutes and will note any discrepancies in the minutes prior to approval. Once approved, the original will be retained by HAS and a copy thereof submitted to Contractor.

21.0 **INVOICING**

21.1 The Contractor shall submit its invoices in accordance with the specifications and shall invoice for work accepted by an HAS representative.

21.2 The Contractor shall provide separate monthly invoices for any completed work at each Airport. HAS will certify the correctness of each invoice and arrange for payment. The invoice must be identified by the agreement name and agreement number. Certification and/or payment does not preclude HAS from indicating that a particular certification or payment was incorrect. In addition, it does not preclude HAS from recovering excess payments. The invoices shall be delivered or mailed to the following location:

City of Houston
Houston Airport System
Finance Division/Accounts Payable
P.O. Box 60106
Houston, Texas 77205-0106

21.3 Invoices submitted for services performed as the result of Change Orders shall require copies of the applicable Change Order attached to the original invoice.

21.4 No payment for services shall be payable by HAS for any services for which the Contractor fails to complete all the scheduled work as specified, or fails to obtain an approved work schedule prior to beginning work.

21.5 **Optional Invoice Requirement**

21.5.1 The Houston Airport System shall accept invoices submitted electronically along with required support information as described in Section 17.0. Each invoice should be in a TIFF format. Multiple invoices can be submitted in a single email.

21.5.1.1 Requirements are as follows:

21.5.1.2 Submit invoices in "TIFF" format.

21.5.1.3 Submit to has.accountspayable@houstontx.gov

22.0 **PRICE ADJUSTMENT**

22.1 If Contractor's Direct Cost decreases at any time during the full term of this award, Contractor's shall immediately pass the decrease on to HAS and lower its price(s) by the amount of the decrease in Direct Cost.

22.2 Contractor shall notify the Director of price decreases in the same way as for price increases set out below. The price decrease shall become effective upon Director's receipt of Contractor's notice.

22.3 **Price Increases:**

22.3.1 The Contractor may request a price increase after twelve (12) months from the proposal opening date of

SPECIFICATIONS / SCOPE OF WORK
SOLICITATION NO.: S30-T24928

the proposal received by the City Secretary of the City of Houston. Subsequent price increases may be requested twelve (12) months from the date of the previous approved price increase. The amount of the first increase shall not exceed actual documented increase in Contractor's Direct Cost and shall not ever be more than 15% above the previous bid price. The amount of the subsequent price increase shall also not exceed this percentage.

- 22.3.2 To request a price increase, Contractor must submit a letter stating the amount of the increase, along with an itemized list of increased prices, showing the Contractor's current price, revised price, the actual dollar difference and the percentage of the price increase by item. Documentation from the Contractor's supplier showing the actual dollar increase to the Contractor must accompany this request. Such documentation from the Contractor's supplier must clearly show the dollar increase incurred by the Contractor on the applicable item bid. The letter and documentation shall be sent to the following address:

Director of Aviation
Houston Airport System
Post Office Box 60106
Houston, Texas 77205-0106

- 22.3.3 If the Director approves the price increase, he shall notify Contractor in writing; no price increase will be effective until Contractor receives this notice. If the Director does not approve Contractor's price increase, Contractor may terminate its performance upon sixty (60) days advance written notice to the Director. Termination of performance is Contractor's only remedy if the Director does not approve the price increase.

23.0 DISPUTES

- 23.1 In all cases of misunderstanding and disputes, the terms of this Agreement governs.

24.0 DAMAGE TO CITY PROPERTY

- 24.1 The Contractor shall pay for the repair of all damaged City property caused by carelessness or neglect on the part of the Contractor, its agents or employees.

25.0 CONTINGENCIES

- 25.1 HAS must meet certain objectives of readiness for emergencies, natural disaster, and other contingencies and must react to such contingencies without delay. Such reaction may have an impact upon Contractor's operation. In order to plan for such events, Contractor shall prepare Contingency Plans as follows:

25.1.1 Natural disasters such as a major storm, flood, and high winds, etc.

25.1.2 Labor dispute or strike by Contract personnel. The Plan must be updated on an annual basis, or as changes occur, and submitted to the Director.

- 25.2 Plans must take into account passenger safety, rowdiness, vandalism, intoxication, fire, smoke, and power outages, etc.

26.0 ESTIMATED QUANTITIES NOT GUARANTEED

- 26.1 The estimated quantities specified herein are not a guarantee of actual quantities, as the City does not guarantee any particular quantity of Aviation Channeling Services during the term of the Agreement. The quantities may vary depending upon the actual needs of HAS. The quantities specified herein are good faith estimates of usage during the term of the Agreement. Therefore, the City shall not be liable for any contractual agreements/obligations the Contractor enters into based on the City purchasing/requiring all of the quantities specified herein.

SPECIFICATIONS / SCOPE OF WORK
SOLICITATION NO.: S30-T24928

27.0 **CONTRACTOR'S FINANCIAL OBLIGATION**

27.1 The Contractor shall make timely payments to all persons supplying labor and materials or furnishing it with any equipment in the execution of this Agreement.

DEFINITIONS

SOLICITATION NO.: S30-T24928

28.0 DEFINITIONS

As used in the Agreement, the following terms have the meanings set out below:

“**Acceptable**” means that services, equipment, software and performance meet or exceed the requirements of the Agreement.

“**Airports**” means George Bush Intercontinental Airport, William P. Hobby Airport, and Ellington Airport.

“**Aviation Channeling System**” means entire aviation channeling system, which includes, but not limited to fingerprint printer(s), CPU(s), live scanners, monitors, and server. The system will verify, identify, and check background history.

“**Basic Services**” means those services described in Section B, Performance Work Statement.

“**CHRC**” means Criminal History Record Checks.

“**City**” means the City of Houston, Texas, and includes its successors and assigns.

“**Contractor**” means the entity to whom the City awards this Contract.

“**Contract or Agreement**” means the Agreement including all exhibits, amendments or change orders thereto made and entered into by and between the City and the Contractor whereby the Contractor shall provide all specified Work in connection with the Agreement, in the manner and form provided by the Agreement.

“**Director**” means the Director of the Houston Airport System, or his designee.

“**FAA**” means the Federal Aviation Administration as presently constituted as a division of the United States Department of Transportation or its successor agency or agencies.

“**HOU**” means William P. Hobby Airport.

“**Houston Airport System (HAS)**” means the property and facilities of the City of Houston Department of Aviation which include, but are not limited to, George Bush Intercontinental Airport/Houston (IAH), William P. Hobby Airport (HOU), and Ellington Airport (EFD).

“**IAH**” means George Bush Intercontinental Airport/Houston.

“**Materials**” means any component and/or part (hardware or software).

“**Notice to Proceed**” means a written communication from the Director to Contractor instructing Contractor to begin performance under this Agreement.

“**OEM**” means the Original Equipment Manufacturer.

“**Repair**” means to restore to acceptable HAS working condition.

“**STA**” means Security Threat Assessments.

“**Update**” means a patch or fix to the existing Equipment operating at current functionality, or a revised edition of the current software.

“**Work**” means all services to be provided by the Contractor as defined by the specifications herein.

PROPOSAL OUTLINE AND MINIMUM CONTENT REQUIREMENTS

SOLICITATION NO.: S30-T24928

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. Proposer(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 Proposer(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 A letter of transmittal shall include the following:

3.1.1 The names, titles, addresses, and telephone numbers of the individuals who are authorized to make representation on behalf of the Proposer.

3.1.2 A statement that the per-unit proposed price and/or lump sum (if prices are proposed) is the total fixed price for the equipment and services enumerated.

3.1.3 A statement that the person signing the letter of transmittal is authorized to legally bind the Proposer; that the Proposal and the total fixed price contained therein shall remain firm for a period of one hundred-eighty (180) days, and that the Proposal will comply with the requirements and arrangements stated in the RFP.

4.0 EXPERTISE/EXPERIENCE/QUALIFICATION STATEMENT:

4.1 Provide a brief statement describing the Proposer's company including history, location, qualifications, experience, main line of business, how business is organized (corporation, partnership, public, private, etc.), notable achievements. Please limit to four (4) pages.

4.2 Provide a brief statement describing the Proposer's track record of advocating on behalf of airport operations Section 7.6.

4.3 The Proposer shall have a minimum of one (1) year experience providing Aviation channeling services.

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

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

4.6 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 **Aviation Channeling Services**, which should include, but not be limited to the following:

5.1.1 A brief statement of the Proposer understanding of the work to be provided.

5.1.2 A statement as to how Proposer shall achieve interface to Pro-Watch with CBP approval process.

PROPOSAL OUTLINE AND MINIMUM CONTENT REQUIREMENTS

SOLICITATION NO.: S30-T24928

- 5.1.3 A detailed description of customer support plan
- 5.1.4 A detailed description that clearly defines the transition 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:**
- 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
 - 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 Financial Statement and Dunn & Bradstreet Reports or Federal Tax Forms Filed for Past Two Years
 - 7.1.8 List of References (Exhibit II)
 - 7.1.9 Pricing Form/Fee Schedule (Exhibit III)
 - 7.1.10 Fair Campaign Ordinance Form "A" (Exhibit V)
 - 7.1.11 Affidavit of Ownership or Control (Exhibit VI)
 - 7.1.12 Drug Compliance Agreement Attachment "A" and Contractor's Certification of No Safety Impact Positions Attachment "C" (Exhibit VII)
 - 7.1.13 Anti-Collusion Statement (Exhibit VIII)
 - 7.1.14 Conflict of Interest Questionnaire (Exhibit IX)
 - 7.1.15 City Contractors' Pay or Play Acknowledgement Form and Pay or Play Certificate Agreement (Exhibit X)
 - 7.1.16 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 or fax to 832.393.0952) or submit copy with proposal.
 - 7.1.17 Requested Information Outlined in the Scope of Work and Other Additional Relevant/Supporting Information.

<h1 style="margin: 0;">EVALUATION AND SELECTION PROCESS</h1> <h2 style="margin: 0;">SOLICITATION NO.: S30-T24928</h2>

1.0 EVALUATION SUMMARY:

1.1 Each Proposal received will be reviewed for documentation of minimum qualifications, completeness, and adherence to the RFP requirements. Proposals from Proposers that meet the Minimum Qualifications will be evaluated. HAS at its sole discretion may choose to develop a short list of Proposers for further consideration. Short listed Proposers may be scheduled for a structured oral presentations and/or interview. Such presentations will be at no cost to HAS. At the end of the oral presentation and/or interview, the evaluation of the short listed Proposers will be completed. 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 HAS. HAS may make investigations, as it deems necessary, to determine the capabilities of the Proposer(s) to provide Aviation Channeling Services. The Proposer(s) shall furnish to the City such data as the City may request for this purpose. HAS reserves the right to reject any offer if the evidence submitted by or the investigation of the Proposer(s) fails to satisfy HAS or a Proposer is deemed unqualified to provide the services contemplated.

3.0 Evaluation Criteria

Points

3.1	<u>Proposed Strategy and Operational Plan</u>	20
	<ul style="list-style-type: none"> • Detailed approach to meeting task requirements • Understanding of the work to be provided • Transition Approach 	
3.2	<u>Experience and Qualifications</u>	20
	<ul style="list-style-type: none"> • Background and Experience with Aviation Channeling Services • Management/Staff Performing Similar Work • Operating Philosophy 	
3.3	<u>Customer Support</u>	15
	<ul style="list-style-type: none"> • Plan for providing Customer Support 	
3.4	<u>Technical Plan</u>	15
	<ul style="list-style-type: none"> • Proposed interface to Pro-Watch with CBP approval process 	
3.5	<u>Cost</u>	15
3.6	<u>Financial Strength and Stability</u>	10
	<ul style="list-style-type: none"> • Strength of Financial Statement [Balance Sheet/Cash Revenues/Long-term Debt/Retained Earnings] 	
3.7	<u>General Conformity with RFP Requirements</u>	5

TOTAL:

100 Points

3.8 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).

EXHIBIT I – OFFER AND SUBMITTAL
SOLICITATION NO.: S30-T24928

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 II – REFERENCES
SOLICITATION NO.: S30-T24928

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 III – PRICE SHEET / FEE SCHEDULE
SOLICITATION NO.: S30-T24928

For the prices quoted, Proposer shall furnish all necessary labor, equipment, materials, supplies, personnel, services, and all activity necessary to perform the Work as specified in this Agreement. Price sheets by Agreement Years (1-5) must be completed in their entirety with no blanks and entered on the appropriate lines of the summary sheet(s).

All quantities listed are estimated quantities for budgetary purposes only. The actual quantities may be higher or lower than any estimates, and Proposer shall be paid only for actual Work performed, subject to prior HAS direction and approval.

YEARS (1-5) PRICE TOTAL SUMMARY

IAH

YEAR ONE RATES – PRICE TOTAL SUMMARY

1a. Total Basic Services \$ _____

YEAR TWO RATES – PRICE TOTAL SUMMARY

2a. Total Basic Services \$ _____

YEAR THREE RATES – PRICE TOTAL SUMMARY

3a. Total Basic Services \$ _____

YEAR FOUR RATES – PRICE TOTAL SUMMARY

4a. Total Basic Services \$ _____

YEAR FIVE RATES – PRICE TOTAL SUMMARY

5a. Total Basic Services \$ _____

IAH FIVE-YEAR TOTAL \$ _____

EXHIBIT III – PRICE SHEET / FEE SCHEDULE

SOLICITATION NO.: S30-T24928

HOU

YEAR ONE RATES – PRICE TOTAL SUMMARY

1b. Total Basic Services \$ _____

YEAR TWO RATES – PRICE TOTAL SUMMARY

2b. Total Basic Services \$ _____

YEAR THREE RATES – PRICE TOTAL SUMMARY

3b. Total Basic Services \$ _____

YEAR FOUR RATES – PRICE TOTAL SUMMARY

4b. Total Basic Services \$ _____

YEAR FIVE RATES – PRICE TOTAL SUMMARY

5b. Total Basic Services \$ _____

.HOU FIVE-YEAR TOTAL \$ _____

IAH FIVE-YEAR TOTAL \$ _____

**INTERFACE TO PRO-WATCH WITH CBP APPROVAL PROCESS
TOTAL** \$ _____

HAS GRAND TOTAL \$ _____

THE ABOVE RATES ARE “SUMMARY ROLL-UP PRICING”

EXHIBIT III – PRICE SHEET / FEE SCHEDULE

SOLICITATION NO.: S30-T24928

BASIC SERVICES

YEAR ONE (IAH)

<u>Description</u>	<u>Est. Monthly</u> <u>Enrollments</u>	<u>X</u>	<u>Rate Per</u> <u>Person</u>	<u>X</u>	<u>Cost Per</u> <u>Year</u>
Aviation Worker Initial Enrollment	800	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	80	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	200	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	15	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

YEAR ONE (HOU)

Aviation Worker Initial Enrollment	217	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	102	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	115	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	0	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

Enter the above Basic Services Total Cost on the – **Year One Rates** – Bid Total Summary on price lines 1a and 1b.

EXHIBIT III – PRICE SHEET / FEE SCHEDULE

SOLICITATION NO.: S30-T24928

YEAR TWO (IAH)

<u>Description</u>	<u>Est. Monthly Enrollments</u>	<u>X</u>	<u>Rate Per Person</u>	<u>X</u>	<u>Cost Per Year</u>
Aviation Worker Initial Enrollment	800	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	80	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	200	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	15	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

YEAR TWO (HOU)

Aviation Worker Initial Enrollment	217	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	102	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	115	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	0	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

Enter the above Basic Services Total Cost on the – **Year Two Rates** – Bid Total Summary on price lines 2a and 2b.

EXHIBIT III – PRICE SHEET / FEE SCHEDULE

SOLICITATION NO.: S30-T24928

YEAR THREE (IAH)

<u>Description</u>	<u>Est. Monthly Enrollments</u>	<u>X</u>	<u>Rate Per Person</u>	<u>X</u>	<u>Cost Per Year</u>
Aviation Worker Initial Enrollment	800	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	80	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	200	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	15	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

YEAR THREE (HOU)

Aviation Worker Initial Enrollment	217	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	102	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	115	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	0	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

Enter the above Basic Services Total Cost on the – **Year Three Rates** – Bid Total Summary on price lines 3a and 3b.

EXHIBIT III – PRICE SHEET / FEE SCHEDULE

SOLICITATION NO.: S30-T24928

YEAR FOUR (IAH)

<u>Description</u>	<u>Est. Monthly Enrollments</u>	<u>X</u>	<u>Rate Per Person</u>	<u>X</u>	<u>Cost Per Year</u>
Aviation Worker Initial Enrollment	800	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	80	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	200	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	15	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

YEAR FOUR (HOU)

Aviation Worker Initial Enrollment	217	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	102	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	115	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	0	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

Enter the above Basic Services Total Cost on the – **Year Four Rates** – Bid Total Summary on price lines 4a and 4b.

EXHIBIT III – PRICE SHEET / FEE SCHEDULE

SOLICITATION NO.: S30-T24928

YEAR FIVE (IAH)

<u>Description</u>	<u>Est. Monthly Enrollments</u>	<u>X</u>	<u>Rate Per Person</u>	<u>X</u>	<u>Cost Per Year</u>
Aviation Worker Initial Enrollment	800	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	80	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	200	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	15	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

YEAR FIVE (HOU)

Aviation Worker Initial Enrollment	217	x	\$ _____	12	\$ _____
Aviation Worker CHRC Check Only	102	x	\$ _____	12	\$ _____
Aviation Worker STA Check Only	115	x	\$ _____	12	\$ _____
Scanning Fee (Inked Card)	0	x	\$ _____	12	\$ _____
Basic Services Total					\$ _____

Enter the above Basic Services Total Cost on the – **Year Five Rates** – Bid Total Summary on price lines 5a and 5b.

SYSTEM INTERFACE

Interface to Pro-Watch with CBP Approval Process \$ _____

**EXHIBIT IV – INSURANCE REQUIREMENTS AND SAMPLE
INSURANCE CERTIFICATE
SOLICITATION NO.: S30-T24928**

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):

=====~~C A N C E L L A T I O N~~=====

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.: S30-T24928**

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.: S30-T24928

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.	General Liability (X) Commercial General Liability Claims Made (X) Occur. Owners & Contractors Prot.			General Aggregate Products-Comp/Op Agg. Personal & Adv. Injury Each Occurrence Fire Damage (Any one fire) Med. Expense (Any one person)	\$1,000,000 \$1,000,000 \$1,000,000 \$ 500,000 \$ 50,000 \$ 5,000
A.	Automobile Liability (X) Any Auto (X) All Owned Autos () Scheduled Autos () Hired Autos () Non-Owned Autos () 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 Bodily Injury (Per person) Bodily Injury (Per Accident) Property Damage	\$1,000,000 \$ \$ \$
	Excess Liability			Each Occurrence Aggregate	\$ \$
	Worker's Compensation and Employee Liability	Statutory Limits	(X)	Statutory Limits Each Accident Disease - Policy Limit Disease - Each Employee	\$ 100,000 \$ 100,000 \$ 100,000
	Other				

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 PROCUREMENT DIVISION

P.O. BOX 1562
HOUSTON, TEXAS 77251

AUTHORIZED REPRESENTATIVE

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR
CONTRACT AWARD (\$50K OR MORE)
SOLICITATION NO.: S30-T24928**

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:
Named Insured:	(Authorized Representative)

SCHEDULE

Name and Address of Additional Insured:

(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.

© ISO Properties, Inc.

©Insurance Services Office, Inc.
©2012 Vertafore, Inc. All Rights Reserved.

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR
CONTRACT AWARD (\$50K OR MORE)
SOLICITATION NO.: S30-T24928**

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.: S30-T24928

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.: S30-T24928**

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.: S30-T24928**

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) 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

© ISO Properties, Inc., 2004

©Insurance Services Office, Inc.
©2012 Vertafore, Inc. All Rights Reserved.

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR
CONTRACT AWARD (\$50K OR MORE)
SOLICITATION NO.: S30-T24928**

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) 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

© ISO Properties, Inc., 2004

©Insurance Services Office, Inc.
©2012 Vertafore, Inc. All Rights Reserved.

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR
CONTRACT AWARD (\$50K OR MORE)
SOLICITATION NO.: S30-T24928**

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

© Insurance Services Office, Inc., 1994

©Insurance Services Office, Inc.
©2012 Vertafore, Inc. All Rights Reserved.

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR
CONTRACT AWARD (\$50K OR MORE)
SOLICITATION NO.: S30-T24928**

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 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

© ISO Properties, Inc., 2004

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR
CONTRACT AWARD (\$50K OR MORE)
SOLICITATION NO.: S30-T24928**

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 with 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.

SAMPLE ISO FORM

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR
CONTRACT AWARD (\$50K OR MORE)
SOLICITATION NO.: S30-T24928**

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.

© ISO Properties, Inc.

©Insurance Services Office, Inc.
©2012 Vertafore, Inc. All Rights Reserved.

**EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR
CONTRACT AWARD (\$50K OR MORE)
SOLICITATION NO.: S30-T24928**

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.: S30-T24928**

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.: S30-T24928**

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.: S30-T24928

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 run off 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.: S30-T24928**

List all officers of the corporation (if none state none”):

Name _____
Officer Address _____

Name _____
Officer Address _____

Name _____
Officer Address _____

List all individuals owning 10% or more of outstanding shares of stock of the corporation (if none state “none”):

Name _____
Address _____

Name _____
Address _____

Name _____
Address _____

I certify that I am duly authorized to submit this list on behalf of the firm, that I am associated with the firm in the capacity noted below and that I have personal knowledge of the accuracy of the information provided herein.

Preparer

Printed Name

Title

Note: This list constitutes a **government record** as defined by § 37.01 of the Texas Penal Code.

8/23/01

**EXHIBIT VI: CONTRACTOR OWNERSHIP
DISCLOSURE ORDINANCE
SOLICITATION NO.: S30-T24928**

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.: S30-T24928

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 _____

§
§
§

AFFIDAVIT OF OWNERSHIP OR CONTROL

COUNTY OF _____

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.: S30-T24928

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.: S30-T24928

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.: S30-T24928**

- (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.: S30-T24928**

I, _____ as an owner or officer of
(Name) (Print/Type) (Title)

(Name of Company) (Contractor)

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.: S30-T24928**

I, _____ as an owner or officer of
 (Name) (Print/Type) (Title)

_____ (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 Suspicion</u>	<u>Post 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 VIII – ANTI-COLLUSION STATEMENT
SOLICITATION NO.: S30-T24928

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.: S30-T24928

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 1st** 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 1st and September 1st 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.: S30-T24928

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor or other person doing business with local governmental entity

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.: S30-T24928

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.
1. 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.
 2. 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.: S30-T24928

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.: S30-T24928



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.: S30-T24928**

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)

AGREEMENT FOR AVIATION CHANNELING SERVICES

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

1. PREAMBLE

1.1. Addresses of the Parties

1.1.1. **THIS AGREEMENT FOR AVIATION CHANNELING SERVICES** ("Agreement") is made on the Countersignature Date between the **CITY OF HOUSTON, TEXAS** ("City"), a Texas home-rule city, and _____, a _____ conducting business in the State of Texas ("Contractor").

1.1.2. The initial addresses of the Parties, which one Party may change by giving written notice to the other Party, are as follows:

City

Contractor

City of Houston
Director, Houston Airport System
or Designee
P.O. Box 60106
Houston, Texas 77205-0106

1.1.3. The City and Contractor hereby agree as follows:

[The rest of this page intentionally left blank.]

1.2. Table of Contents

This Agreement consists of the following sections:

	<u>Page</u>
1. PREAMBLE	72
1.1.ADDRESSES OF THE PARTIES.....	72
1.2.TABLE OF CONTENTS	73
1.3.PARTS INCORPORATED	74
1.4.CONTROLLING PARTS	74
1.5.SIGNATURES.....	75
2. DEFINITIONS	76
3. DUTIES OF CONTRACTOR	77
3.1.SCOPE OF SERVICES	77
3.2.REPORTS	78
3.3.PAYMENT OF SUBCONTRACTORS	78
3.4.USE OF WORK PRODUCTS.....	78
3.5.CONFIDENTIALITY	78
3.6.RELEASE	79
3.7.INDEMNIFICATION	79
3.8.INDEMNIFICATION – PATENT, COPYRIGHT, TRADEMARK, AND TRADE SECRET INFRINGEMENT	80
3.9.SUBCONTRACTOR’S INDEMNIFICATION	80
3.10.INDEMNIFICATION PROCEDURES.....	80
3.11.INSURANCE	81
3.12.WARRANTIES	83
3.13.LICENSES AND PERMITS	83
3.14.COMPLIANCE WITH LAWS	83
3.15.COMPLIANCE WITH EQUAL OPPORTUNITY ORDINANCE	83
3.16.MINORITY AND WOMEN BUSINESS ENTERPRISES	83
3.17.DRUG ABUSE DETECTION AND DETERRENCE	84
4. DUTIES OF THE CITY	85
4.1.PAYMENT TERMS	85
4.2.TAXES	85
4.3.METHOD OF PAYMENT	85
4.4.LIMIT OF APPROPRIATION.....	85
4.5.CHANGES	86
5. TERM AND TERMINATION	87
5.1.TERM	87
5.2.RENEWALS.....	87
5.3.TERMINATION FOR CONVENIENCE BY THE CITY	87
5.4.TERMINATION FOR CAUSE BY THE CITY	88
5.5.TERMINATION FOR CAUSE BY CONTRACTOR	88
5.6.REMOVAL OF CONTRACTOR-OWNED EQUIPMENT AND MATERIALS	88
6. MISCELLANEOUS PROVISIONS	89
6.1.RELATIONSHIP OF THE PARTIES.....	89
6.2.FORCE MAJEURE	89
6.3.SEVERABILITY	89
6.4.ENTIRE AGREEMENT	90

6.5.WRITTEN AMENDMENT	90
6.6.APPLICABLE LAWS	90
6.7.NOTICES	90
6.8.CAPTIONS	90
6.9.NON-WAIVER.....	90
6.10.INSPECTIONS AND AUDITS	90
6.11.ENFORCEMENT	91
6.12.AMBIGUITIES	91
6.13.SURVIVAL	91
6.14.PUBLICITY	91
6.15.PARTIES IN INTEREST.....	91
6.16.SUCCESSORS AND ASSIGNS.....	91
6.17.BUSINESS STRUCTURE AND ASSIGNMENTS.....	91
6.18.ACCEPTANCE AND APPROVALS.....	92
6.19.REMEDIES CUMULATIVE.....	92
6.20.AIRPORT SYMBOLS.....	92
6.21.TIME EXTENSIONS.....	92
6.22.CONTRACTOR PERFORMANCE	92
6.23.TITLE VI ASSURANCES.....	92
6.24.AIRPORT SECURITY	93
6.25.PAY OR PLAY	93
EXHIBITS 93	
EXHIBIT A: BASIC SERVICES	93
EXHIBIT B: FEE SCHEDULE.....	104
EXHIBIT C: EQUAL EMPLOYMENT OPPORTUNITY.....	111
EXHIBIT D: DRUG POLICY COMPLIANCE AGREEMENT.....	113
EXHIBIT E: DRUG POLICY COMPLIANCE DECLARATION	114
EXHIBIT F: CONTRACTOR'S CERTIFICATION OF NO SAFETY IMPACT POSITIONS.....	115
EXHIBIT G: PAY OR PLAY PROGRAM.....	116

1.3. Parts Incorporated

1.3.1. The above described sections, exhibits and recitals are incorporated into this Agreement.

1.4. Controlling Parts

1.4.1. If a conflict between or among the sections or exhibits arises, the sections control over the exhibits.

1.5. Signatures

The Parties have executed this Agreement in multiple copies, each of which is an original.

ATTEST/SEAL (if a corporation):
WITNESS (if not corporation):

Contractor:

By:Name: _____

By: _____

Title: _____

Name: _____

Federal Tax ID No.: _____

Title: _____

ATTEST/SEAL:

CITY:
CITY OF HOUSTON, TEXAS

City Secretary

Mayor

APPROVED:

COUNTERSIGNED:

Mario C. Diaz
Director, Houston Airport System

City Controller
Countersignature Date: _____

APPROVED AS TO FORM:

Sr. Assistant City Attorney
L.D. File No.: _____

DEFINITIONS

- 2.1. In addition to the words and terms defined elsewhere in this Agreement, the following terms have the meanings set out below:
 - 2.1.1. “Acceptable” means that services, equipment, software and performance meet or exceed the requirements of the Agreement.
 - 2.1.2. “Agreement” means this contract between the Parties, including all exhibits and any written amendments authorized by City Council and Contractor.
 - 2.1.3. “Airports” means George Bush Intercontinental Airport, William P. Hobby Airport, and Ellington Airport.
 - 2.1.4. “Aviation Channeling System” means the entire aviation channeling system, which includes fingerprint printer(s), CPU(s), live scanners, monitors, and server. The Aviation Channeling System will verify, identify, and check background history.
 - 2.1.5. “Basic Services” means those services described in Exhibit A.
 - 2.1.6. “CHRC” means Criminal History Record Checks.
 - 2.1.7. “City” is defined in the preamble of this Agreement and includes its successors and assigns.
 - 2.1.8. “City Attorney” means the City Attorney of the City or any person designated by the City Attorney to perform one or more of the duties of the City Attorney under this Agreement.
 - 2.1.9. “Contractor” is defined in the preamble of this Agreement and includes its successors and assigns.
 - 2.1.10. “Countersignature Date” means the date the City Controller countersigns this Agreement. The Countersignature Date is the effective date of this Agreement.
 - 2.1.11. “Day(s)” or “day(s)” means City business days, unless otherwise defined in this Agreement.
 - 2.1.12. “Director” means the Director of the Houston Airport System, or any person designated by the Director to perform one or more of the Director's duties under this Agreement.
 - 2.1.13. “Documents” means reports, charts, analyses, maps, letters, tabulations, exhibits, notes, computer programs, operating manuals, models, photographs, specifications, the original tracings of all drawings and plans, and other work products obtained by or prepared by the Contractor pursuant to a Notice to Proceed issued in accordance with this Agreement.
 - 2.1.14. “EFD” means Ellington Airport.
 - 2.1.15. “FAA” means the Federal Aviation Administration as presently constituted as a division of the United States Department of Transportation or its successor agency or agencies.
 - 2.1.16. “HOU” means William P. Hobby Airport.

- 2.1.17. "Houston Airport System (HAS)" means the property and facilities of the City of Houston Department of Aviation which include, but are not limited to, George Bush Intercontinental Airport/Houston (IAH), William P. Hobby Airport (HOU), and Ellington Airport (EFD).
- 2.1.18. "IAH" means George Bush Intercontinental Airport/Houston.
- 2.1.19. "Include" and "including", and words of similar import, shall be deemed to be followed by the words "without limitation".
- 2.1.20. "Materials" means any component and/or part (hardware or software).
- 2.1.21. "Notice to Proceed" means a written communication from the Director to Contractor instructing Contractor to begin performance under this Agreement.
- 2.1.22. "OEM" means the Original Equipment Manufacturer.
- 2.1.23. "Parties" mean all the entities set out in the Preamble who are bound by this Agreement.
- 2.1.24. "Regulations" mean all applicable laws, statutes, codes, (including the City's Building Code, Fire Code, HAS electrical standards, and any current Tenant Improvement Program ("TIP"), judicial decisions, ordinances, regulations (including federal grant assurances governing the Airport), rulings, zoning ordinances, restrictive covenants, airport rules and operating instructions, certificates, permits, requirements or orders enforceable by all federal, state and local government authorities, including the Federal Aviation Administration ("FAA"), the Transportation Security Administration ("TSA"), and the Texas Commission on Environmental Quality ("TCEQ") having jurisdiction over the Airport.
- 2.1.25. "Repair" means to restore to acceptable HAS working condition.
- 2.1.26. "STA" means Security Threat Assessments.
- 2.1.27. "TSA" means the Transportation Security Administration as presently constituted as a division of the United States Department of Transportation or its successor agency or agencies.
- 2.1.28. "Update" means a patch or fix to the existing Equipment operating at current functionality, or a revised edition of the current software.
- 2.1.29. "Work" means all services to be provided by the Contractor as defined by the specifications herein.
- 2.1.30. "Writing" or "written" shall mean a written communication from one Party to the other, including an electronic communication or e-mail.

2. DUTIES OF CONTRACTOR

2.1. Scope of Services

- 3.1.1. In consideration of the payments specified in this Agreement, Contractor shall provide all services as set forth in Exhibit A.

2.2. Reports

- 3.2.1. Contractor shall submit all reports and progress updates required by the Director and as may be required in Exhibit A.

2.3. Payment of Subcontractors

- 3.3.1. Contractor shall make timely payments to all persons and entities that Contractor has hired to supply labor, materials, or equipment for the performance of this Agreement. **CONTRACTOR SHALL DEFEND AND INDEMNIFY THE CITY FROM ANY CLAIMS OR LIABILITY ARISING OUT OF CONTRACTOR'S FAILURE TO MAKE THESE PAYMENTS.** Contractor shall submit disputes relating to payment of MWBE subcontractors, if any, to mediation in the same manner as any other disputes under the MWBE subcontract, if any, if directed to do so by the Director of the Office of Business Opportunity.

2.4. Use of Work Products

- 3.4.1. Contractor conveys and assigns to the City its entire interest and full ownership worldwide in and to any work, invention, and all Documents, and the copyrights, patents, trademarks, trade secrets, and any other proprietary rights therein (collectively "Proprietary Rights") that Contractor, its agents, employees, Contractors, and subcontractors (collectively "Authors") develop, write, or produce under this Agreement (collectively "Works").
- 3.4.2. The Authors shall not claim or exercise any Proprietary Rights related to the Works. If requested by the Director, Contractor shall place a conspicuous notation on any Works which states that the City owns the Proprietary Rights.
- 3.4.3. Contractor shall execute all documents required by the Director to further evidence this assignment and ownership. Contractor shall cooperate with the City in registering, creating, and enforcing Proprietary Rights arising under this Agreement. If Contractor's assistance is requested and rendered under this Section, the City shall reimburse Contractor for all out-of-pocket expenses it incurs in rendering assistance, subject to the availability of funds. On termination of this Agreement, or if requested by the Director, Contractor shall deliver all Works to the City. Contractor shall obtain written agreements from the Authors that bind the Authors to the terms in this Section.
- 3.4.4. All Works developed, written, or produced under this Agreement for use as a contribution to a collective work; a part of a motion picture or other audiovisual work; a translation; a supplementary work; a compilation; an instructional text; a test; answer material for a test; or an atlas, are "works made for hire" under 17 U.S.C. §§101 and 201, as amended.
- 3.4.5. Contractor may retain copies of the Works for its archives. Contractor shall not otherwise use, sell, license, or market the Works.
- 3.4.6. Notwithstanding any provision to the contrary contained in this Agreement, Contractor shall retain sole ownership to its preexisting information including but not limited to computer programs, software, standard details, figures, templates and specifications.
- 3.4.7. Any reuse of the documents prepared by Contractor under this Agreement for other than their specific intended purpose will be at the sole risk of the user and without liability to the Contractor.

2.5. Confidentiality

- 3.5.1. All reports, information, data or other documents given to, prepared by or assembled by Contractor or its subcontractors arising out of the work performed under this Agreement are the exclusive property of the City and will be kept confidential and may not be made available to any individual or organization by the Contractor or its subcontractors without the prior written approval of the Director, provided, however, that these provisions shall not apply to data that is in the public domain; was previously known to Contractor; or was independently acquired by the Contractor from third parties who are under no obligation to the City to keep the data and information confidential. These provisions shall not apply to information in whatever form that comes into the public domain through no fault of Contractor, nor shall they be interpreted in any way to restrict Contractor from complying with a legally enforceable court order to provide information or data; provided Contractor shall immediately give the City notice of the court order to permit City the opportunity to determine whether a protective order will be filed. This restriction includes, but is not limited to, press releases, presentations, promotional materials and other public disclosures.
- 3.5.2. Except as provided in the preceding paragraph, Contractor shall keep confidential, and shall require its employees, agents, subordinates, and subcontractors to keep confidential all information disclosed by the HAS or its contractors to the Contractor or developed by the Contractor or the Contractor's employees, agents, subordinates, or subcontractors in the performance of services hereunder.

2.6. Release

- 3.6.1. **CONTRACTOR 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 TO PERSONS OR PROPERTY IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.**

2.7. Indemnification

- 3.7.1. **CONTRACTOR 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:**

- 3.7.1.1. **CONTRACTOR AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS' OR SUB CONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 3.7.1.1.-3.7.1.3., "CONTRACTOR") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;**
- 3.7.1.2. **THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND**
- 3.7.1.3. **THE CITY'S AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM**

LIABILITY OR NOT.

3.7.2. CONTRACTOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. CONTRACTOR SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.

2.8. Indemnification – Patent, Copyright, Trademark, and Trade Secret Infringement

3.8.1. 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.

3.8.2. 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.

3.8.3. 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.

2.9. Subcontractor's Indemnification

3.9.1. 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.

2.10. Indemnification Procedures

3.10.1. Notice of Claims. If the City or 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 10 days. The notice must include the following:

- 3.10.1.1.** a description of the indemnification event in reasonable detail, and
- 3.10.1.2.** the basis on which indemnification may be due, and
- 3.10.1.3.** the anticipated amount of the indemnified loss.

3.10.2. 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 10 day period, it does not waive any right to indemnification except to the extent that

Contractor is prejudiced, suffers loss, or incurs expense because of the delay. If Contractor does not provide this notice within the 10-day period, it does not waive any right to indemnification except to the extent that City is prejudiced, suffers loss or incurs expenses because of the delay.

3.10.3. Defense of Claims.

3.10.3.1. Assumption of Defense. Contractor may assume the defense of the claim at its own expense. If Contractor assumes the defense of the claim, Contractor shall then control the defense and any negotiations to settle the claim. Contractor shall notify the City of any and all offers to settle the claim.

3.10.3.2. Continued Participation. If 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. Contractor may settle the claim without the consent or agreement of the City, unless it (1) 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, (2) would require the City to pay amounts that Contractor does not fund in full, or (3) 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.

2.11. Insurance

3.11.1. With no intent to limit Contractor's liability or the indemnification provisions set forth herein, the Contractor shall provide and maintain certain insurance in full force and effect at all times during the Term of this Agreement. Such insurance is described as follows:

Coverage

Limit of Liability

Workers' Compensation

Statutory for Workers' Compensation

Employer's Liability

Bodily Injury by Accident \$100,000
(each accident)
Bodily Injury by Disease \$100,000
(policy limit)
Bodily Injury by Disease \$100,000
(each employee)

Commercial General Liability:
Including Contractual Liability, Bodily and
Personal Injury, Property Damage,
Products and Completed Operations
Coverage (for two years following
completion of the work under this
Agreement)

Combined single limit of \$500,000 (each
occurrence), aggregate of \$1,000,000;
Products and Completed Operations:
\$1,000,000 aggregate

Coverage

Limit of Liability

Automobile Liability (for vehicles Contractor uses in performing under this Agreement, including Employer's Non-Ownership and Hired Auto Coverage)

\$1,000,000 combined single limit

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

- 3.11.2. 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 inactions do not waive the City's rights under this Agreement.
- 3.11.3. 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 of *Best's Key Rating Guide, Property-Casualty United States*.
- 3.11.4. Insured Parties. Each policy, except those for Workers' Compensation and Employer's Liability, must name the City (and its officers, agents and employees) as Additional Insured parties on the original policy and all renewals or replacements.
- 3.11.5. 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.
- 3.11.6. Cancellation. Contractor SHALL GIVE 30 DAYS' WRITTEN NOTICE TO THE DIRECTOR IF ANY OF ITS POLICIES WILL BE CANCELED OR NOT RENEWED. Within the 30-day period Contractor shall attain other suitable policies in lieu of those about to be cancelled not renewed so as to maintain in effect the required coverage. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may purchase the required insurance with City funds and invoice Contractor for the cost of the Premiums. If invoice is not paid by Contractor within 30 days of date of invoice, Director may immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default. Contractor shall give written notice to the Director within five days of the date upon which total claims by any party against Contractor reduce the aggregate amount of coverage below the amounts required by this Agreement.
- 3.11.7. 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 to the extent such claim arises out of the alleged negligence of the City.
- 3.11.8. Endorsement of Primary Insurance. Each policy, except 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 this Agreement.
- 3.11.9. Liability for Premium. Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.
- 3.11.10. 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 shall be commensurate with the amount of the subcontract or joint venture agreement, but in no case shall it be less than \$1,000,000 per occurrence. Contractor shall provide copies of such insurance certificates to the Director.

3.11.11. **Proof of Insurance.** On the effective date of this Agreement and upon written request of the Director at any time during the term of this Agreement, Contractor shall furnish the Director with certificates of insurance and required endorsements, 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. Failure of Contractor to provide certified copies, as requested, within 10 days after receipt of written notice from Director, may be deemed, in the Director's and/or City Attorney's discretion, to constitute a breach of this Agreement. Contractor shall continuously and without interruption maintain in force the required insurance coverage specified in this section. If Contractor does not comply with this requirement, the Director, at his or her sole discretion, may: (1) immediately suspend Contractor from any further performance under this Agreement and begin procedures to terminate for default, or (2) purchase the required insurance with City funds and charge the cost of the premiums as additional fees and charges to Contractor. The City shall never waive nor be estopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

3.11.12. **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.

2.12. Warranties

3.12.1. Contractor's performance shall conform to the professional standards prevailing in the United States with respect to the scope, quality, due diligence, and care of the services and products Contractor provides under this Agreement.

2.13. Licenses and Permits

3.13.1. Contractor shall obtain, maintain, and pay for all licenses, permits, and certificates including all professional licenses required by any statute, ordinance, rule, or regulation to perform work under this Agreement. Contractor shall promptly notify the Director of any suspension, revocation, or other detrimental action against its license(s).

2.14. Compliance with Laws

3.14.1. Contractor shall comply with all applicable state and federal laws and Regulations and the City Charter and Code of Ordinances.

2.15. Compliance with Equal Opportunity Ordinance

3.15.1. Contractor shall comply with the City's Equal Employment Opportunity Ordinance as set out in Exhibit C.

2.16. Minority and Women Business Enterprises

3.16.1. It is the City's policy to ensure that Minority and Women Business Enterprises ("MWBEs") have the full

opportunity to compete for and participate in City contracts. The objectives of Chapter 15, Article V of the City of Houston Code of Ordinances, relating to City-wide percentage goals for contracting with MWBEs, are incorporated into this Agreement.

- 3.16.2. Contractor shall make good faith efforts to award subcontracts in at least ___% of the value of this Agreement to MWBEs. The City's policy does not require Contractor to in fact meet or exceed this goal, but it does require Contractor to objectively demonstrate that it has made good faith efforts to do so. To this end, Contractor shall maintain records showing:
 - 3.16.2.1. subcontracts and supply agreements with Minority Business Enterprises,
 - 3.16.2.2. subcontracts and supply agreements with Women's Business Enterprises, and
 - 3.16.2.3. specific efforts to identify and award subcontracts and supply agreements to MWBEs.
- 3.16.3. Contractor shall submit periodic reports of its efforts under this section to the City Office of Business Opportunity Director in the form and at the times he or she prescribes.
- 3.16.4. Contractor shall require written subcontracts with all MWBE subcontractors and suppliers and shall submit all disputes with or among MWBE subcontractors to mediation in Houston, Texas, if directed to do so by the City Office of Business Opportunity Director.

2.17. Drug Abuse Detection and Deterrence

- 3.17.1. It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by Contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), which is incorporated into this Agreement and is on file in the City Secretary's Office.
- 3.17.2. Before the City signs this Agreement, Contractor shall file with the City Contract Compliance Officer for Drug Testing ("CCODT"):
 - 3.17.2.1. a copy of its drug-free workplace policy,
 - 3.17.2.2. the Drug Policy Compliance Agreement substantially in the form set forth in Exhibit D, together with a written designation of all safety impact positions and,
 - 3.17.2.3. if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the form set forth in Exhibit F.
- 3.17.3. If Contractor files a written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every six months during the performance of this Agreement (or on completion of this Agreement if performance is less than 6 months), a Drug Policy Compliance Declaration in a form substantially similar to Exhibit E. Contractor shall submit the Drug Policy Compliance Declaration to the CCODT within 30 days of the expiration of each 6-month period of performance and within 30 days of completion of this Agreement. The first 6-month period begins to run on the date the City issues its Notice to Proceed or, if no Notice to Proceed is issued, on the first day Contractor begins work under this Agreement.
- 3.17.4. Contractor also shall file updated designations of safety impact positions with the CCODT if additional safety impact positions are added to Contractor's employee work force.
- 3.17.5. Contractor shall require that its subcontractors comply with the Executive Order, and Contractor shall secure and maintain the required documents for City inspection.

3. DUTIES OF THE CITY

3.1. Payment Terms

4.1.1. Basic Services. [To be determined.]

4.1.2. Additional Services. [To be determined.]

4.1.3. Expenses and Reimbursement.

4.1.3.1. The City shall pay Contractor for reimbursable expenses on receipt of Contractor's itemized invoice.

4.1.3.2. Contractor shall propose a maximum amount for each reimbursable expense at the time that services requiring such expenses are requested by the Director. The Director must approve reimbursable expenses before Contractor incurs them. The compensation for reimbursable expenses shall never exceed this agreed-upon maximum amount. Reimbursable expenses are the actual expenditures Contractor and its subcontractors make while performing services for the project requested by the Director. They include travel costs outside the City and its extraterritorial jurisdiction (not to exceed the amounts established under the City's then-current travel reimbursement policy for its employees), if reasonably necessary to accomplish a task in connection with the project, plus living expenses in connection with out-of-town travel, long distance communications, and fees paid for securing approval of authorities having jurisdiction over the project.

3.2. Taxes

4.2.1. The City is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to the City must not contain assessments of any of these taxes. The Director will furnish the City's exemption certificate and federal tax identification number to Contractor if requested.

3.3. Method of Payment

4.3.1. The City shall pay Contractor on the basis of invoices submitted by Contractor and approved by the Director showing the Basic Services provided in the _____ and the amount due to Contractor. The City shall make payments to Contractor at its address for notices within 30 days of receipt of an approved invoice.

4.3.2. If the Director disputes an invoice Contractor submits for any reason, including lack of supporting documentation (as may be required by the Director in his sole discretion), the Director shall temporarily delete the disputed item and pay the remainder of the invoice. The Director shall promptly notify Contractor of the dispute and request remedial action. After the dispute is settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.

3.4. Limit of Appropriation

4.4.1. The City's duty to pay money to Contractor under this Agreement is limited in its entirety by the provisions of this Section.

4.4.2. In order to comply with Article II, Sections 19 and 19a of the City's Charter and Article XI, Section 5 of the Texas Constitution, the City has appropriated and allocated \$_____ for services under this Agreement (the "Original Allocation"). The executive and legislative officers of the City, in their discretion, may allocate supplemental funds for this Agreement, but they are not obligated to do so. Therefore, the parties have agreed

to the following procedures and remedies:

4.4.2.1. The City makes a Supplemental Allocation by issuing to Contractor a Service Release Order, or similar form approved by the City Controller, containing the language set out below. When necessary, the Supplemental Allocation shall be approved by motion or ordinance of City Council.

NOTICE OF SUPPLEMENTAL ALLOCATION OF FUNDS

By the signature below, the City Controller certifies that, upon the request of the responsible director, the supplemental sum set out below has been allocated for the purposes of the Agreement out of funds appropriated for this purpose by the City Council of the City of Houston. This supplemental allocation has been charged to such appropriation.

\$ _____.

4.4.2.2. The Original Allocation plus all supplemental allocations are the “Allocated Funds”. Funds are not allocated unless and until the funds have been (1) approved by the City Attorney and (2) certified by the City Controller as required by Article II, Section 19a of the City Charter, notwithstanding any delegation of authority by City Council. This Agreement is not an allocation of funds. The City shall never be obligated to pay any money under this Agreement in excess of the Allocated Funds. Contractor must assure itself that sufficient allocations have been made to pay for services it provides. If Allocated Funds are exhausted, Contractor’s only remedy is suspension or termination of its performance under this Agreement, and it has no other remedy in law or in equity against the City and no right to damages of any kind.

4.4.2.3. City Council delegates to the Director the authority to approve up to \$_____ in supplemental allocations without returning to Council.

3.5. Changes

4.5.1. At any time during the Agreement Term, the Director may issue a Change Order to increase or decrease the scope of services or change plans and specifications, as he or she may find necessary to accomplish the general purposes of this Agreement. Contractor shall furnish the services or deliverables in the Change Order in accordance with the requirements of this Agreement plus any special provisions, specifications, or special instructions issued to execute the extra work. Any Change to the scope of activities identified in Exhibit A shall be mutually agreed to prior to the issuance of a Change Order. 2. The Director will issue the Change Order in substantially the following form:

CHANGE ORDER

TO: [Name of Contractor]
FROM: [City of Houston, Texas (the "City")]
DATE: [Date of Notice]
SUBJECT: Change Order under the Agreement between the City and [Name of Contractor] countersigned by the City Controller on [Date of countersignature of the Agreement]

Subject to all terms and conditions of the Agreement, the City requests that Contractor provide the following:

[Here describe the additions to or changes to the equipment

or services and the Change Order Charges applicable to each.]

Signed:

[Signature of Director]

- 4.5.2. The Director may issue more than one Change Order, subject to the following limitations:
 - 4.5.2.1. Council expressly authorizes the Director to approve a Change Orders up to \$50,000. A Change Order of more than \$50,000 must be approved by the City Council.
 - 4.5.2.2. If a Change Order describes items that Contractor is otherwise required to provide under this Agreement, the City is not obligated to pay any additional money to Contractor.
 - 4.5.2.3. The Total of all Change Orders issued under this Section may not increase the Original Agreement amount by more than 25%.
- 4.5.3. Whenever a Change Order is issued and executed by both Parties, Contractor shall furnish all material, equipment, and personnel necessary to perform the work described in the Change Order. Contractor shall complete the work within the time prescribed. If no time for completion is prescribed, Contractor shall complete the work within a reasonable time. If the work described in any Change Order causes an unavoidable delay in any other work Contractor is required to perform under this Agreement, Contractor may request a time extension for the completion of the work. The Director's decision regarding a time extension is final.
- 4.5.4. A product or service provided under a Change Order is subject to inspection, acceptance, or rejection in the same manner as the work described in the Original Agreement, and is subject to the terms and conditions of the Original Agreement as if it had originally been a part of the Agreement.
- 4.5.5. Change Orders are subject to the Allocated Funds provisions of this Agreement.

4. TERM AND TERMINATION

4.1. Term

- 5.1.1. This Agreement is effective on the date of the Countersignature Date and expires three years thereafter unless sooner terminated according to the terms of this Agreement.

4.2. Renewals

- 5.2.1. If the Director, at his or her sole discretion, makes a written request for renewal to Contractor at least 30 days before expiration of the then-current term and if sufficient funds are allocated, then, upon expiration of the initial term, this Agreement is renewed for two successive one-year terms upon the same terms and conditions.

4.3. Termination for Convenience by the City

- 5.3.1. The Director may terminate this Agreement at any time by giving 30 days written notice to Contractor. The City's right to terminate this Agreement for convenience is cumulative of all rights and remedies which exist now or in the future.

5.3.2. On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the services performed under this Agreement up to the termination date.

5.3.3. TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED, IF ANY, ARE CONTRACTOR'S ONLY REMEDIES FOR THE CITY'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED IN THIS SECTION), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE CITY'S TERMINATION FOR CONVENIENCE.

4.4. Termination for Cause by the City

5.4.1. If Contractor defaults under this Agreement, the Director may either terminate this Agreement or allow Contractor to cure the default as provided below. The City's right to terminate this Agreement for Contractor's default is cumulative of all rights and remedies which exist now or in the future. Default by Contractor occurs if:

5.4.1.1. Contractor fails to perform any of its material duties under this Agreement;

5.4.1.2. Contractor becomes insolvent;

5.4.1.3. all or a substantial part of Contractor's assets are assigned for the benefit of its creditors; or

5.4.1.4. a receiver or trustee is appointed for Contractor.

5.4.2. If a default occurs, the Director may, but is not obligated to, deliver a written notice to Contractor describing the default and the termination date. The Director, at his or her sole option, may extend the termination date to a later date. If the Director allows Contractor to cure the default and Contractor does so to the Director's satisfaction before the termination date, then the termination is ineffective. If Contractor does not cure the default before the termination date, then the Director may terminate this Agreement on the termination date and pay Contractor for all services performed, if any, through such date.

5.4.3. To effect final termination, the Director must notify Contractor in writing. After receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all services under this Agreement, and promptly cancel all orders or subcontracts chargeable to this Agreement.

4.5. Termination for Cause by Contractor

5.5.1. Contractor may terminate its performance under this Agreement only if the City defaults and fails to cure the default after receiving written notice of it. Default by the City occurs if the City fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor wishes to terminate the Agreement, then Contractor must deliver a written notice to the Director describing the default and the proposed termination date. The date must be at least 30 days after the Director receives notice. Contractor, at its sole option, may extend the proposed termination date to a later date not to exceed 60 days. If the City cures the default before the proposed termination date, then the proposed termination is ineffective. If the City does not cure the default before the proposed termination date, then Contractor may terminate its performance under this Agreement on the termination date.

4.6. Removal of Contractor-Owned Equipment and Materials

5.6.1. Upon expiration or termination of this Agreement Contractor is permitted ten (10) days within which to remove Contractor-owned material and equipment from the City's premises. The City shall make such material and equipment readily available to Contractor. The time period may be extended upon approval by the Director. The Director reserves the right to deny any extension of time.

5. MISCELLANEOUS PROVISIONS

5.1. Relationship of the Parties

6.1.1. Contractor shall perform its obligations under this Agreement as an independent contractor and not as an employee of the City.

5.2. Force Majeure

6.2.1. Timely performance by both parties is essential to this Agreement. However, neither party is liable for reasonable delays in performing its obligations under this Agreement to the extent the delay is caused by Force Majeure that directly impacts the City or Contractor. The event of Force Majeure may permit a reasonable delay in performance but does not excuse a party's obligations to complete performance under this Agreement. "Force Majeure" means: fires, interruption of utility services, epidemics in the City, floods, hurricanes, tornadoes, ice storms and other natural disasters, explosions, war, terrorist acts against the City or Contractor, riots, strikes, court orders, and the acts of superior governmental or military authority, and which the affected Party is unable to prevent by the exercise of reasonable diligence. The term does not include any changes in general economic conditions such as inflation; interest rates; economic downturn or other factors of general application; or an event that merely makes performance more difficult, expensive, or impractical. Force Majeure does not entitle Contractor to extra payment.

6.2.2. This relief is not applicable unless the affected Party does the following:

6.2.2.1. uses due diligence to remove the effects of the Force Majeure as quickly as possible and to continue performance notwithstanding the Force Majeure; and

6.2.2.2. provides the other Party with prompt written notice of the cause and its anticipated effect.

6.2.3. The Director will review claims that a Force Majeure that directly impacts the City or Contractor has occurred and render a written decision within 14 days. The decision of the Director is final.

6.2.4. The City may perform contract functions itself or contract them out during periods of Force Majeure. Such performance is not a default or breach of this Agreement by the City.

6.2.5. If the Force Majeure continues for more than 30 days from the date performance is affected, the Director may terminate this Agreement by giving 7 days' written notice to Contractor. This termination is not a default or breach of this Agreement. **CONTRACTOR WAIVES ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM THE TERMINATION EXCEPT FOR AMOUNTS DUE UNDER THE AGREEMENT UP TO THE TIME THE WORK IS HALTED DUE TO FORCE MAJEURE.**

5.3. Severability

6.3.1. If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable

unless the result materially prejudices either Party.

5.4. Entire Agreement

6.4.1. This Agreement merges the prior negotiations and understandings of the Parties and embodies the entire agreement of the Parties. No other agreements, assurances, conditions, covenants (express or implied), or other terms of any kind, exist between the Parties regarding this Agreement.

5.5. Written Amendment

6.5.1. Unless otherwise specified elsewhere in this Agreement, this Agreement may be amended only by written instrument executed on behalf of the City (by authority of an ordinance adopted by the City Council) and Contractor. The Director is only authorized to perform the functions specifically delegated to him or her in this Agreement.

5.6. Applicable Laws

6.6.1. This Agreement is subject to the laws of the State of Texas, the City Charter and Ordinances, the laws of the federal government of the United States, and all rules and regulations of any regulatory body or officer having jurisdiction.

5.7. Notices

6.7.1. All notices to either party to the Agreement must be in writing and must be delivered by hand, facsimile, United States registered or certified mail, return receipt requested, United States Express Mail, Federal Express, Airborne Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its address set out in Section I of this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

5.8. Captions

6.8.1. Captions contained in this Agreement are for reference only, and therefore have no effect in construing this Agreement. The captions are not restrictive of the subject matter of any section in this Agreement.

5.9. Non-Waiver

6.9.1. If either Party fails to require the other to perform a term of this Agreement, that failure does not prevent the Party from later enforcing that term and all other terms. If either Party waives the other's breach of a term, that waiver does not waive a later breach of this Agreement.

6.9.2. An approval by the Director or by any other employee or agent of the City of any part of Contractor's performance does not waive compliance with this Agreement or establish a standard of performance other than that required by this Agreement and by law. The Director is not authorized to vary the terms of this Agreement.

5.10. Inspections and Audits

6.10.1. City representatives may 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 4 years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

5.11. Enforcement

6.11.1. The City Attorney or his or her designee may enforce all legal rights and obligations under this Agreement without further authorization. Contractor shall provide to the City Attorney all documents and records that the City Attorney requests to assist in determining Contractor's compliance with this Agreement, with the exception of those documents made confidential by federal or State law or regulation.

5.12. Ambiguities

6.12.1. If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

5.13. Survival

6.13.1. Contractor shall remain obligated to the City under all clauses of this Agreement that expressly or by their nature extend beyond the expiration or termination of this Agreement, including, but not limited to, the indemnity provisions.

5.14. Publicity

6.14.1. Contractor shall make no announcement or release of information concerning this Agreement unless the release has been submitted to and approved, in writing, by the Director.

5.15. Parties in Interest

6.15.1. This Agreement does not bestow any rights upon any third party, but binds and benefits the City and Contractor only.

5.16. Successors and Assigns

6.16.1. This Agreement binds and benefits the Parties and their legal successors and permitted assigns; however, this provision does not alter the restrictions on assignment and disposal of assets as set out in the following section. This Agreement does not create any personal liability on the part of any employee, officer, or agent of the City.

5.17. Business Structure and Assignments

6.17.1. Contractor shall not assign this Agreement at law or otherwise or dispose of all or substantially all of its assets without the Director's prior written consent which consent shall not be unreasonably withheld. Nothing in this clause, however, prevents the assignment of accounts receivable or the creation of a security interest as described in Section 9.406 of the Texas Business & Commerce Code. In the case of such an assignment, Contractor shall immediately furnish the City with proof of the assignment and the name, telephone number, and address of the Assignee and a clear identification of the fees to be paid to the Assignee.

6.17.2. Contractor shall not delegate any portion of its performance under this Agreement without the Director's prior written consent which consent shall not be unreasonably withheld.

5.18. Acceptance and Approvals

6.18.1. Any acceptance or approval by the City, or its agents or employees shall not constitute nor be deemed to be a release of the responsibility and liability of the Contractor, its employees, agents, subcontractors, or suppliers for the accuracy, competency, and completeness for any Documents prepared or services performed pursuant to the terms and conditions of this Agreement, nor shall acceptance or approval be deemed to be an assumption of such responsibility or liability by the City, or its agents and employees, for any defect, error or omission in any Documents prepared or services performed by the Contractor, its employees, agents, subcontractors or suppliers pursuant to this Agreement.

5.19. Remedies Cumulative

6.19.1. Unless otherwise specified elsewhere in this Agreement, the rights and remedies contained in this Agreement are not exclusive, but are cumulative of all rights and remedies which exist now or in the future consistent with this Agreement. Neither Party may terminate its duties under this Agreement except in accordance with its provisions.

5.20. Airport Symbols

6.20.1. Contractor shall have no right to use the trademarks, symbols, trade names or name of the Airport, either directly or indirectly, in connection with any production, promotion service or publication without the prior written discretionary consent of the Director.

5.21. Time Extensions

6.21.1. If the Contractor requests an extension of time to complete Contractor's performance, then the Director may, in his or her sole discretion, extend the time so long as the extension does not exceed 90 days. The extension must be in writing but does not require amendment of this Agreement. Contractor is not entitled to damages for delay(s) regardless of the cause of the delay(s).

5.22. Contractor Performance

6.22.1. Contractor shall make citizen satisfaction a priority in providing services under this Agreement. Contractor's employees should be trained to be customer-service oriented and to positively and politely interact with citizens when performing Agreement 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, Contractor is not interacting in a positive and polite manner with citizens, the Director may instruct Contractor to take all remedial steps to conform to the standards set by this Agreement. Contractor's failure to comply may be cause for the Director to terminate this Agreement.

5.23. Title VI Assurances

6.23.1. Contractor shall comply with applicable non-discrimination provisions required by the United States of America, including but not limited to the provisions of 49 CFR Part 21.

5.24. Airport Security

6.24.1. Contractor shall comply with all HAS, TSA, FAA and any other governmental agency security directives, rules and regulations. The FAA and/or the TSA may assess fines and/or penalties for Contractor's non-compliance with the provisions of 49 CFR 1540 and 1542, as amended from time to time, or by other agencies for noncompliance with laws or regulations applicable to Contractor's operations. Within 10 days of notification in writing, Contractor shall reimburse the City for any fine or penalty assessed against the City because of Contractor's non-compliance with 49 CFR 1540 and 1542 or other applicable laws or regulations.

5.25. Pay or Play

6.25.1. The requirements and terms of the City of Houston Pay or Play program, as set out in Executive Order No. 1-7, as revised from time to time 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.

EXHIBITS

Exhibit A: Basic Services

[The following is taken from the solicitation. The actual terms shall be negotiated between HAS and the selected proposer.]

1.0 BACKGROUND

1.1 This Agreement is for AVIATION CHANNELING SERVICES for the Houston Airport System (hereinafter referred to as "HAS"). These services serve a vital role in the efficient operation of the HAS.

1.2 HAS operates the City of Houston's three (3) Airports:

1.2.1 George Bush Intercontinental Airport/Houston (IAH)

1.2.2 William P. Hobby Airport (HOU)

1.2.3 Ellington Airport (EFD)

1.3 Management of the airports includes coordination with FAA, air carriers, and other Federal and State agencies to maintain the highest standards of service and safety to Airport patrons.

1.4 The annual volume of badged individuals for IAH is approximately 26,700 and HOU 8,000.

2.0 SCOPE OF BASIC SERVICES

2.1 Contractor shall be in compliance with the Transportation Security Administration (TSA) regulations and guidance in order to provide Aviation Channeling Services for HAS.

2.2 Contractor shall be authorized by TSA.

2.3 HAS shall collect biometric and biographic information from applicants and transmit the information to the Contractor for processing.

2.4 HAS shall provide the Contractor with badge applicant biometric and biographical data, Contractor shall transmit data to TSA or other appropriate government agency for processing of Criminal History Record Checks (CHRC), Security Threat Assessments (STA), and to Customs and Border Protection (CBP).

2.5 All service shall be in accordance with the highest standards prevailing in the industry, as well as applicable codes, rules, regulations, laws, and practices governing the work. These standards will be achieved and maintained by continuous improvement through open communications with HAS, regular management reviews, and industry guidelines.

2.6 Contractor shall perform Work for IAH and HOU or as specified by HAS.

2.7 Work under this Agreement shall only be initiated by the Contractor after receiving a written Notice to Proceed (NTP) signed by the Director/City Purchasing Agent.

2.8 Contractor shall provide HAS with web access to search any badge holder or applicant's STA, CHRC, or CBP status, (send and received times) at any time, 24/7. This provision is only upon initiation of CBP's eBadge program.

2.9 Contractor shall be paid for each of the Airport's (IAH and HOU) enrollments as provided.

3.0 INTERFACE TO SEND BIOMETRIC AND BIOGRAPHIC DATA:

3.1 Contractor shall provide a system interface (such as secure web services) to allow HAS to send biometric and biographic data in one single data submission directly from HAS systems. Criminal History Record Checks (CHRC) and Security Threat Assessments (STA) results as well as status updates shall be sent by the Contractor as statuses change or frequency agreed upon by HAS and Contractor to the applicant records in the badging system of record. The current badging system of record is Pro-Watch, a Honeywell system. The Contractor is required to hire Honeywell to complete the interface to the Pro-Watch or system specified by HAS.

3.3 The interface configuration effort will commence upon HAS approval of the Contractor's technical interface plan and documentation. The Contractor will also submit to HAS the User Acceptance Text (UAT) plan prior to proceeding with the work. A fully functional text environment will be configured and tested prior to starting work on the Production environment. The Contractor will be expected to provide user training documentation, as well as updates to the interface documentation, upon completion of the configuration.

3.3 Contractor shall demonstrate interface capabilities upon Notice to Proceed (NTP) and at that time, Contractor, Honeywell and HAS will meet to discuss the system and plan. The Contractor shall document the detailed technical plan, schedule, and provide user acceptance plan for HAS approval. The interface shall be operational per the requirement within the agreed upon time frame, which is not to exceed three months from NTP. User acceptance team will include Contractor, Honeywell and HAS Technology representative(s) or designee(s).

4.0 INTERFACE REQUIREMENTS:

4.1 HAS will send applicant data on a daily or hourly basis to Contractor's system as agreed by the Contractor and HAS.

4.2 Contractor's system will send responses back to HAS as statuses change. These responses include:

4.2.1 Confirm receipt of new applicant.

4.2.2 Update results to indicate status of still in process, error, or passed.

4.2.3 Error results must include reason description or reason code. The Contractor's ability to correct errors.

4.2.4 Passed results must include date passed.

4.3 A secure virtual private network (VPN) tunnel is required or other communication method approved by HAS Technology. The Contractor shall work with HAS Technology to establish a secure connection.

5.0 INTERFACE WITH CUSTOMS AND BORDER PROTECTION (eBadge):

5.1 HAS is currently piloting a National Customs and Border Protection electronic badging initiative called eBadge. The overall objective of the program is to streamline the approval process by transmitting the CBP access request with the initial data transmission and accepting the CBP response through the same protocol. The Contractor shall participate in the development and facilitation of the program, including providing necessary data components and interfaces that may be required.

6.0 OUT-OF-SERVICE CREDITS

6.2 Whenever Aviation Channeling Services are unavailable for processing; Contractor and the Director or designee agree that Contractor shall pay service credits as follows:

6.1.8 When Aviation Channeling Services experience delays or system is inoperable for twenty-four (24) hours Contractor will notify HAS representative immediately.

6.1.9 If Contractor is unable to restore full service within the twenty-five (25) hour, then out-of-service credits shall be assessed in the amount of \$25.00 for each fifteen (15) minutes interval until the situation is rectified. The situation shall be considered rectified when acceptable service is verified by the Director or designee.

6.1.10 The twenty-five (25) hour referenced above shall begin if more than twenty-four (24) hours elapse before Contractor restores full applicant processing services.

6.1.11 During lapses of service, HAS reserves the right to hire other Contractor(s) to restore service or rectify problems at Contractor's expense.

6.1.4.3 Service credits will not be assessed in those instances where inoperable systems are a result of an accident caused by others and not due to Contractor error or negligence; nor will service credits be assessed when Force Majeure conditions occur, or when the system is taken out of service to accomplish preplanned, HAS approved activity.

6.1.4.4 The parties further agree that the assessment of service credits for the specific situations mentioned in this

section will be the exclusive remedy of HAS in lieu of all other considerations that may be assessed. However, nothing in this section will be construed to prejudice, limit or otherwise impair HAS's termination rights enumerated in the Agreement. Additionally, assessment of service credits will never be construed as an exclusive remedy for any other damage incurred as the result of the breach of any other covenants, conditions or obligations contained in this Agreement and HAS shall always have the right to avail itself of other remedies available to it in law or equity.

6.1.12 The Director or designee shall have the discretionary right to assess out-of-service credits in amounts of \$100.00 per occurrence if data is lost.

6.1.13 At the Director's or designee sole discretion, assessed credits may be waived.

6.1.14 Proposer and HAS stipulate and agree that any such assessment shall not be construed as a penalty; rather, Proposer and HAS stipulate that the damages due to system issue(s) will be difficult to measure and ascertain and as such the necessity of out-of-service credits. Proposer shall pay any assessment of out-of-service credits by the Director to HAS within ten (10) days of receipt of an invoice for system failure.

7.0 GENERAL

7.1 Contractor shall provide quality assurance and error corrections for submissions to the TSA.

7.2 Contractor shall ensure that the data transmitted to TSA is secured in accordance with the Federal Information Security Management Act (FISMA), Department of Homeland Security (DHS) 4300a controls, and appropriate DHS and TSA security policies.

7.3 Contractor shall ensure that processes are in strict accordance with TSA and FBI regulations and guidance. Contractor shall maintain the highest standards for privacy of the employee information.

7.4 Labor rates are inclusive of all profit, overhead, benefits, equipment, insurance, transportation and other incidentals required to accomplish the work.

7.5 Contractor shall provide Aviation Channeling Services under this Agreement, using Contractor's personnel for safe and efficient services. The Contractor shall ensure that the Aviation Channeling Services and related equipment are operational at all times in accordance with best practices prevailing in the industry, observing OEM recommended procedures and complying with applicable Occupational Safety and Health Act (OSHA) and other applicable municipal, state, and federal safety standards.

7.6 Contractor shall have a dedicated aviation security policy staff with a proven track record of advocating on behalf of airport operations at the federal level on aviation security policy issues that could impact an airport's badging operations.

8.0 LEVELS OF SERVICE

8.1 Contractor shall provide customer support to IAH and HOU via telephone or email during normal business hours (7:00 a.m. – 4:00 p.m. CST Monday – Friday) for questions regarding services and coordinate the resolution of HAS problems regarding TSA's technical and procedural issues.

8.2 Customer Support

8.2.1 General support questions or issues shall be reported to the Contractor via phone or email (as agreed upon by HAS) and the Contractor shall respond within 24 hours.

8.2.2 Any general support question or issue that cannot be answered upon initial response to HAS shall be tracked by the Contractor and handled within 5 business days unless deemed a high priority issue.

8.2.3 A customer support call shall be deemed a High Priority service issue if it involves any delays in processing applicants for STA, CHRC, and CBP clearances. Expected resolution of a High Priority event is within 24 hours from Contractor acknowledgement of the issue.

8.2.4 Any delay of an applicant's processing in excess of 24 hours due to a system issue shall result in manual processing of the applicant by the Contractor. While engaged in manual processing there shall be no charge to HAS

8.3 System Uptime

8.3.1 Scheduled maintenance shall be handled to not impact normal system operations.

8.3.2 Unexpected outages should be reported to HAS representative immediately and an expected time to return to normal operations should be provided.

8.3.3 Unexpected outages should not cause delays in processing applicants for STA, CHRC, and CBP clearances for more than 24 hours. After that time, if the system has not resumed normal operations a backup process shall be initiated.

8.3.4 Contractor shall provide an explanation of the backup process in the event the entire system or system interface is out of service for more than 24 hours.

9.0 **CONFIDENTIALITY AND PRIVACY**

9.3 Each party agrees that all proprietary or confidential information disclosed by the other party in connection with this Agreement shall be protected from risk of disclosure to others with the same degree of care that the receiving party accords to its own confidential or proprietary information.

9.4 Contractor shall comply with the state statute "Identity Theft Enforcement and Protection Act" <http://www.statutes.legis.state.tx.us/DocViewer.aspx?K2DocKey=odbc%3a%2f%2fSOTW%2fASUPUBLIC.dbo.vwSOTW%2fBC%2fS%2fBC.521%40SOTW&QueryText=Identity%3cOR%3eTheft%3cOR%3eEnforcement%3cOR%3eProtection%3cOR%3eAct&HighlightType=1>

10.0 **INTELLECTUAL PROPERTY RIGHTS**

10.1 Contractor and HAS acknowledge that both parties and/or third parties retain all right, title and interest under applicable contractual, copyright, intellectual property, and related laws to their previously owned, developed or obtained intellectual property and any enhancements and modifications to same and in the databases and information contained therein used to provide either party's products or services hereunder, and the parties shall use such materials consistent with such right, title and interest and notify the applicable party of any threatened or actual infringement thereof.

11.0 **DATA PROTECTION**

11.1 Contractor shall protect HAS provided data, including biometric and biographic information providing HAS with the highest level of service. HAS provided data, which includes personal information sent to Contractor, shall not be disclosed, made available or otherwise used for any purposes other than for those purposes of completing fingerprint-based criminal history record checks and security threat assessments as prescribed by federal regulation or other forms of government mandates or requests or as mutually agreed upon by HAS and Contractor. Fingerprint and biographical information can be used for other purposes only with the data provider's express permission or as required to comply with applicable laws.

11.2 Contractor shall not disclose to any third parties HAS provided information.

12.0 **PERSONNEL REQUIREMENTS**

12.1 **GENERAL**

12.2 Contractor shall provide a list of all Contractor employees to HAS. The list must state each employee's name, job title, and assigned responsibilities.

12.3 **STAFFING**

12.4 Contractor shall furnish the necessary number of personnel, fully competent, qualified, and skilled in all trades necessary to fulfill the requirements of this Agreement.

12.5 Contractor shall at all times enforce discipline and good order among its employees and shall employ only reliable persons who are skilled and experienced in their assigned task(s) under this Agreement.

12.6 **SECURITY**

12.7 Contractor shall comply with all applicable Federal rules governing security at the Airport, as may be amended from time to time.

12.8 Contractor shall reimburse the City for any fines or penalties incurred by the City as a result of Contractor's non-compliance with security regulations.

13.0 **ADMINISTRATIVE TASKS**

13.1 **RECORDS**

13.1.1 Contractor shall maintain CHRC and STA results for all active badge holders. All records produced and maintained are the property of HAS. Upon expiration or termination of this Agreement, all records shall be provided to HAS. All sensitive information generated during the term of this Agreement shall be in compliance with HAS security practices and or government mandates/regulations.

13.2 **STOP-WORK**

13.2.1 Contractor shall be responsible for the enforcement of all safety requirements for any Work performed under this Agreement. If Contractor fails or refuses to promptly comply with safety requirements, the Director may issue an order stopping all or part of the Work until satisfactory corrective action has been taken. No part of the time lost due to any such order will be made the subject of a claim for extension of time or for excess costs or damages to Contractor.

14.0 TERM

14.1 The service provided by this Agreement is for a three (3) year term. Upon expiration of the Initial Term, the City of Houston reserves the option of extending the agreement on an annual basis for two (2) additional one-year terms.

15.0 TIME EXTENSIONS

15.1 If HAS requests an extension of time to complete its performance, then the HAS Chief Procurement Officer may, in its sole discretion, extend the time so long as the extension does not exceed one hundred eighty (180) days. The extension must be in writing but does not require amendment of this Agreement. Contractor is not entitled to damages for delay(s) regardless of the cause of the delay(s).

17.0 PUBLIC RELATIONS

17.1 The Contractor agrees that neither it nor its agents, subcontractors or employees shall issue or make any statement regarding this Agreement, its performance under this Agreement, or on behalf of the City with respect to any incident occurring at the Airports, or at any City facility, except when requested to do so by the Director.

18.0 HAS QUALITY ASSURANCE

18.1 HAS may use a variety of inspection methods to evaluate Contractor's performance including performance review conference calls, customer complaints, etc.

18.2 The Contractor shall maintain a plan to ensure the integrity of the data that is submitted by HAS.

18.3 The Contractor shall have practices in place to ensure data is not lost due to system or power failure or due to natural or man-made disaster. The Contractor shall implement other quality assurance measures as requested by the Director from time to time throughout the term.

19.0 INCREASE OR DECREASE OF WORK - INCLUSION/EXCLUSION

19.1 From time to time throughout the Term of this Agreement, the Director may, by written notice to Contractor, increase and/or decrease the Work. The Contractor's sole compensation for such adjustment will be mutually agreed between the Director and Contractor. The Director's decision is final.

20.0 COORDINATE PERFORMANCE

20.1 HAS CONTACT

20.1.1 The Contractor shall coordinate its performance with such persons as the Director designates in writing to Contractor. The Contractor shall keep said persons currently advised of developments relating to the performance of this Agreement and Contractor shall at all appropriate times advise and consult with the Director.

20.2 PRE-PERFORMANCE CONFERENCE CALL

20.2.1 Prior to commencing performance under this Agreement, Contractor shall participate in a pre-performance conference call with HAS. HAS will specify the time and date of call in a written notice to Contractor. Representatives of Contractor present for the pre-performance conference call shall include key personnel whom Contractor has assigned to this Agreement and who shall be authorized to bind Contractor in matters relating to the following pre-performance conference items. However, the Director will have the right to further designate other representatives of Contractor who must be present at the pre-performance conference call and such designated representatives shall be present. Items to be addressed at the pre-performance conference call include the following:

- 20.2.1.1 Contract Administration
- 20.2.1.2 Channels of communication
- 20.2.1.3 Review of key personnel
- 20.2.1.4 Organization and function charts reflecting the line of management authority
- 20.2.1.5 Procedures to be used to ensure Agreement requirements are met.

20.3 COORDINATION OF CONFERENCE CALLS

20.3.1 Throughout the term of this Agreement and any extensions thereto, Contractor shall participate in conference calls with HAS, on a frequency determined by the Director, to identify and resolve performance issues. Notice of any such performance conference call may be given by the Director to Contractor either orally or in writing and will designate the time and date, Contractor's attendees, and general purpose. Contractor's designated attendees shall be present at any such performance conference call for its duration and shall prepare minutes. The conference call minutes must be transcribed by Contractor in typewritten form and must be submitted to the Director for approval within five (5) days of any such conference call. The Director will have the right to dispute the accuracy of the minutes and will note any discrepancies in the minutes prior to approval. Once approved, the original will be retained by HAS and a copy thereof submitted to Contractor.

21.0 INVOICING

21.1 The Contractor shall submit its invoices in accordance with the specifications and shall invoice for work
accepted by an HAS representative.

21.2 The Contractor shall provide separate monthly invoices for any completed work at each Airport. HAS will certify the correctness of each invoice and arrange for payment. The invoice must be identified by the agreement name and agreement number. Certification and/or payment does not preclude HAS from indicating that a particular certification or payment was incorrect. In addition, it does not

preclude HAS from recovering excess payments. The invoices shall be delivered or mailed to the following location:

City of Houston
Houston Airport System
Finance Division/Accounts Payable
P.O. Box 60106
Houston, Texas 77205-0106

21.3 Invoices submitted for services performed as the result of Change Orders shall require copies of the applicable Change Order attached to the original invoice.

21.4 No payment for services shall be payable by HAS for any services for which the Contractor fails to complete all the scheduled work as specified, or fails to obtain an approved work schedule prior to beginning work.

21.5 Optional Invoice Requirement

21.5.1 The Houston Airport System shall accept invoices submitted electronically along with required support information as described in Section 17.0. Each invoice should be in a TIFF format. Multiple invoices can be submitted in a single email.

21.5.1.1 Requirements are as follows:

21.5.1.2 Submit invoices in "TIFF" format.

21.5.1.3 Submit to has.accountspayable@houstontx.gov

22.0 PRICE ADJUSTMENT

22.1 If Contractor's Direct Cost decreases at any time during the full term of this award, Contractor's shall immediately pass the decrease on to HAS and lower its price(s) by the amount of the decrease in Direct Cost.

22.2 Contractor shall notify the Director of price decreases in the same way as for price increases set out below. The price decrease shall become effective upon Director's receipt of Contractor's notice.

22.3 Price Increases:

22.3.1 The Contractor may request a price increase after twelve (12) months from the proposal opening date of the proposal received by the City Secretary of the City of Houston. Subsequent price increases may be requested twelve (12) months from the date of the previous approved price increase. The

amount of the first increase shall not exceed actual documented increase in Contractor's Direct Cost and shall not ever be more than 15% above the previous bid price. The amount of the subsequent price increase shall also not exceed this percentage.

22.3.2 To request a price increase, Contractor must submit a letter stating the amount of the increase, along with an itemized list of increased prices, showing the Contractor's current price, revised price, the actual dollar difference and the percentage of the price increase by item. Documentation from the Contractor's supplier showing the actual dollar increase to the Contractor must accompany this request. Such documentation from the Contractor's supplier must clearly show the dollar increase incurred by the Contractor on the applicable item bid. The letter and documentation shall be sent to the following address:

Director of Aviation
Houston Airport System
Post Office Box 60106
Houston, Texas 77205-0106

22.3.3 If the Director approves the price increase, he shall notify Contractor in writing; no price increase will be effective until Contractor receives this notice. If the Director does not approve Contractor's price increase, Contractor may terminate its performance upon sixty (60) days advance written notice to the Director. Termination of performance is Contractor's only remedy if the Director does not approve the price increase.

23.0 DISPUTES

23.1 In all cases of misunderstanding and disputes, the terms of this Agreement governs.

24.0 DAMAGE TO CITY PROPERTY

24.1 The Contractor shall pay for the repair of all damaged City property caused by carelessness or neglect on the part of the Contractor, its agents or employees.

25.0 CONTINGENCIES

25.1 HAS must meet certain objectives of readiness for emergencies, natural disaster, and other contingencies and must react to such contingencies without delay. Such reaction may have an impact upon Contractor's operation. In order to plan for such events, Contractor shall prepare Contingency Plans as follows:

25.1.1 Natural disasters such as a major storm, flood, and high winds, etc.

25.1.2 Labor dispute or strike by Contract personnel. The Plan must be updated on an annual basis, or as changes occur, and submitted to the Director.

25.2 Plans must take into account passenger safety, rowdiness, vandalism, intoxication, fire, smoke, and power outages, etc.

26.0 **ESTIMATED QUANTITIES NOT GUARANTEED**

26.1 The estimated quantities specified herein are not a guarantee of actual quantities, as the City does not guarantee any particular quantity of Aviation Channeling Services during the term of the Agreement. The quantities may vary depending upon the actual needs of HAS. The quantities specified herein are good faith estimates of usage during the term of the Agreement. Therefore, the City shall not be liable for any contractual agreements/obligations the Contractor enters into based on the City purchasing/requiring all of the quantities specified herein.

27.0 **CONTRACTOR'S FINANCIAL OBLIGATION**

27.1 The Contractor shall make timely payments to all persons supplying labor and materials or furnishing it with any equipment in the execution of this Agreement.

Exhibit B: Fee Schedule

[Actual terms to be determined.]

For the prices quoted, Proposer shall furnish all necessary labor, equipment, materials, supplies, personnel, services, and all activity necessary to perform the Work as specified in this Agreement. Price sheets by Agreement Years (1-5) must be completed in their entirety with no blanks and entered on the appropriate lines of the summary sheet(s).

All quantities listed are estimated quantities for budgetary purposes only. The actual quantities may be higher or lower than any estimates, and Proposer shall be paid only for actual Work performed, subject to prior HAS direction and approval.

YEARS (1-5) PRICE TOTAL SUMMARY

IAH

YEAR ONE RATES – PRICE TOTAL SUMMARY

1a. Total Basic Services \$ _____

YEAR TWO RATES – PRICE TOTAL SUMMARY

2a. Total Basic Services \$ _____

YEAR THREE RATES – PRICE TOTAL SUMMARY

3a. Total Basic Services \$ _____

YEAR FOUR RATES – PRICE TOTAL SUMMARY

4a. Total Basic Services \$ _____

YEAR FIVE RATES – PRICE TOTAL SUMMARY

5a. Total Basic Services \$ _____

IAH FIVE-YEAR TOTAL \$ _____

HOU

YEAR ONE RATES – PRICE TOTAL SUMMARY

1b. Total Basic Services \$ _____

YEAR TWO RATES – PRICE TOTAL SUMMARY

2b. Total Basic Services \$ _____

YEAR THREE RATES – PRICE TOTAL SUMMARY

3b. Total Basic Services \$ _____

YEAR FOUR RATES – PRICE TOTAL SUMMARY

4b. Total Basic Services \$ _____

YEAR FIVE RATES – PRICE TOTAL SUMMARY

5b. Total Basic Services \$ _____

.HOU FIVE-YEAR TOTAL \$ _____

IAH FIVE-YEAR TOTAL \$ _____

**INTERFACE TO PRO-WATCH WITH CBP APPROVAL PROCESS
TOTAL** \$ _____

HAS GRAND TOTAL \$ _____

THE ABOVE RATES ARE “SUMMARY ROLL-UP PRICING”

BASIC SERVICES

YEAR ONE (IAH)

<u>Description</u>	<u>Est. Monthly Enrollments</u>	<u>X</u>	<u>Rate Per Person</u>	<u>X</u>	<u>Cost Per Year</u>
Aviation Worker Initial Enrollment	800	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	80	x	\$_____	12	\$_____
Aviation Worker STA Check Only	200	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	15	x	\$_____	12	\$_____
Basic Services Total					\$_____

YEAR ONE (HOU)

Aviation Worker Initial Enrollment	217	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	102	x	\$_____	12	\$_____
Aviation Worker STA Check Only	115	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	0	x	\$_____	12	\$_____
Basic Services Total					\$_____

Enter the above Basic Services Total Cost on the – **Year One Rates** – Bid Total Summary on price lines 1a and 1b.

YEAR TWO (IAH)

<u>Description</u>	<u>Est. Monthly Enrollments</u>	<u>X</u>	<u>Rate Per Person</u>	<u>X</u>	<u>Cost Per Year</u>
Aviation Worker Initial Enrollment	800	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	80	x	\$_____	12	\$_____
Aviation Worker STA Check Only	200	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	15	x	\$_____	12	\$_____
Basic Services Total					\$_____

YEAR TWO (HOU)

Aviation Worker Initial Enrollment	217	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	102	x	\$_____	12	\$_____
Aviation Worker STA Check Only	115	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	0	x	\$_____	12	\$_____
Basic Services Total					\$_____

Enter the above Basic Services Total Cost on the – **Year Two Rates** – Bid Total Summary on price lines 2a and 2b.

YEAR THREE (IAH)

<u>Description</u>	<u>Est. Monthly Enrollments</u>	<u>X</u>	<u>Rate Per Person</u>	<u>X</u>	<u>Cost Per Year</u>
Aviation Worker Initial Enrollment	800	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	80	x	\$_____	12	\$_____
Aviation Worker STA Check Only	200	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	15	x	\$_____	12	\$_____
Basic Services Total					\$_____

YEAR THREE (HOU)

Aviation Worker Initial Enrollment	217	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	102	x	\$_____	12	\$_____
Aviation Worker STA Check Only	115	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	0	x	\$_____	12	\$_____
Basic Services Total					\$_____

Enter the above Basic Services Total Cost on the – **Year Three Rates** – Bid Total Summary on price lines 3a and 3b.

YEAR FOUR (IAH)

<u>Description</u>	<u>Est. Monthly Enrollments</u>	<u>X</u>	<u>Rate Per Person</u>	<u>X</u>	<u>Cost Per Year</u>
Aviation Worker Initial Enrollment	800	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	80	x	\$_____	12	\$_____
Aviation Worker STA Check Only	200	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	15	x	\$_____	12	\$_____
Basic Services Total					\$_____

YEAR FOUR (HOU)

Aviation Worker Initial Enrollment	217	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	102	x	\$_____	12	\$_____
Aviation Worker STA Check Only	115	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	0	x	\$_____	12	\$_____
Basic Services Total					\$_____

Enter the above Basic Services Total Cost on the – **Year Four Rates** – Bid Total Summary on price lines 4a and 4b.

YEAR FIVE (IAH)

<u>Description</u>	<u>Est. Monthly Enrollments</u>	<u>X</u>	<u>Rate Per Person</u>	<u>X</u>	<u>Cost Per Year</u>
Aviation Worker Initial Enrollment	800	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	80	x	\$_____	12	\$_____
Aviation Worker STA Check Only	200	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	15	x	\$_____	12	\$_____
Basic Services Total					\$_____

YEAR FIVE (HOU)

Aviation Worker Initial Enrollment	217	x	\$_____	12	\$_____
Aviation Worker CHRC Check Only	102	x	\$_____	12	\$_____
Aviation Worker STA Check Only	115	x	\$_____	12	\$_____
Scanning Fee (Inked Card)	0	x	\$_____	12	\$_____
Basic Services Total					\$_____

Enter the above Basic Services Total Cost on the – **Year Five Rates** – Bid Total Summary on price lines 5a and 5b.

SYSTEM INTERFACE

Interface to Pro-Watch with CBP Approval Process \$_____

Exhibit C: Equal Employment Opportunity

1. The contractor, subcontractor, vendor, supplier, or Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, or age. The contractor, subcontractor, vendor, supplier, or Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, religion, color, sex, national origin, or age. Such action will include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training, including apprenticeship. The contractor, subcontractor, vendor, supplier or Contractor agrees to post in conspicuous places available to employees, and applicants for employment, notices to be provided by the City setting forth the provisions of this Equal Employment Opportunity Clause.
2. The contractor, subcontractor, vendor, supplier, or Contractor states that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin or age.
3. The contractor, subcontractor, vendor, supplier, or Contractor will send to each labor union or representatives of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer advising the said labor union or worker's representative of the contractor's and subcontractor's commitments under Section 202 of Executive Order No. 11246, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
4. The contractor, subcontractor, vendor, supplier, or Contractor will comply with all provisions of Executive Order No. 11246 and the rules, regulations, and relevant orders of the Secretary of Labor or other Federal Agency responsible for enforcement of the equal employment opportunity and affirmative action provisions applicable and will likewise furnish all information and reports required by the Mayor and/or Contractor Compliance Officer(s) for purposes of investigation to ascertain and effect compliance with this program.
5. The contractor, subcontractor, vendor, supplier, or Contractor will furnish all information and reports required by Executive Order No. 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to all books, records, and accounts by the appropriate City and Federal Officials for purposes of investigations to ascertain compliance with such rules, regulations, and orders. Compliance reports filed at such times as directed shall contain information as to the employment practice policies, program, and work force statistics of the contractor, subcontractor, vendor, supplier, or Contractor.
6. In the event of the contractor's, subcontractor's, vendor's, supplier's, or Contractor's non-compliance with the non-discrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or Contractor may be declared ineligible for further City contracts in accordance with procedures provided in Executive Order No. 11246, and such other sanctions may be imposed and remedies invoked as provided in the said Executive Order, or by rule, regulation, or order of the Secretary of Labor, or as may otherwise be provided by law.
7. The contractor shall include the provisions of paragraphs 1-8 of this Equal Employment Opportunity Clause in every subcontract or purchase order unless exempted by rules, regulations, or orders of the

Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event the contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

8. The contractor shall file and shall cause his or her subcontractors, if any, to file compliance reports with the City in the form and to the extent as may be prescribed by the Mayor. Compliance reports filed at such times as directed shall contain information as to the practices, policies, programs, and employment policies and employment statistics of the contractor and each subcontractor.

Exhibit D: Drug Policy Compliance Agreement

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 an Area 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 E: Drug Policy Compliance Declaration

I, _____ as an owner or officer of
 (Name) (Print/Type) (Title)

_____ (Contractor)
 (Name of Company)

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

This reporting period covers the preceding 6 months from _____ to _____, 20____.

_____ A written Drug Free Workplace Policy has been implemented and employees
 Initials notified. The policy 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
 Initials Mayor's Drug Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31. Employees have been notified of such procedures.

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

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

_____ From _____ to _____ the following test has occurred:
 Initials (Start date) (End date)

	Random	Reasonable Suspicion	Post-Accident	Total
Number Employees Tested				
Number Employees Positive				
Percent Employees Positive				

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

_____ I affirm that falsification or failure to submit this declaration timely in
 Initials accordance with established guidelines 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 F: Contractor's Certification of No Safety Impact Positions

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**

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 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 Name

Signature

Title

Exhibit G: Pay or Play Program

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>