

OFFICE OF THE CITY CONTROLLER



**PROFESSIONAL INDEPENDENT
INTERNAL AUDIT AND CONSULTING SERVICES
REQUEST FOR QUALIFICATIONS AND PROPOSALS**

Ronald C. Green, City Controller

David Schroeder, City Auditor



NOTICE OF
REQUEST FOR QUALIFICATIONS AND PROPOSALS FOR

PROFESSIONAL INDEPENDENT
INTERNAL AUDIT AND CONSULTING SERVICES

FOR
THE CITY OF HOUSTON
OFFICE OF THE CITY CONTROLLER

RFQP No. Q23763

The City of Houston invites prospective contractors to submit written proposals for Professional Independent Internal Audit and Consulting Services for the City of Houston Controller's Office. Qualifications and Proposals solicited for this service shall be in accordance with the terms, conditions, and instructions as set forth in this Request for Qualifications and Proposals (RFQP).

The City of Houston, Texas will receive RFQP's at the City Secretary's Office, City Hall Annex, Public Level, 900 Bagby, Houston, Texas 77002 until **Friday, October 15, 2010 at 2:00 p.m.** No RFQP's will be accepted after the stated deadline. Written questions concerning the RFQP may be submitted to the Office of the City Controller, City Hall, P.O. Box 1562 Houston, Texas 77251-1562, Attn: Mr. David Schroeder, fax: (832) 393-3532, or david.schroeder@houstontx.gov no later than **5:00 p.m., Monday, September 27, 2010.** There will be a Pre-Proposal Conference on **Tuesday, October 5th at 2:00 p.m.** at City Hall, 8th Floor Conference Room, 901 Bagby, Houston, Texas 77002. All proposals will be required to comply with City Council Ordinance No. 78-1538, passed August 9, 1978, relating to Equal Employment Opportunity Contract Compliance. The City reserves the right to reject any or all proposals or to accept any proposal or portion of a proposal deemed to be in the City's best interest.


City Controller

9-9-2010
Date

CITY OF HOUSTON

OFFICE OF THE CITY CONTROLLER
AUDIT DIVISION

PROFESSIONAL INDEPENDENT INTERNAL AUDIT

AND

CONSULTING SERVICES

FOR THE

CITY OF HOUSTON

OFFICE OF THE CITY CONTROLLER
REQUEST FOR QUALIFICATIONS AND PROPOSALS

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EXHIBITS:

- Exhibit I: Equal Employment Opportunity Clause
- Exhibit II: Goal Oriented Minority/Women Business Enterprises Contract Requirements
- Exhibit III: List of Previous Customers/List of Subcontractors/Submittal Form
- Exhibit IV: Rates Form
- Exhibit V: Insurance Requirements for Contracts
- Exhibit VI: City of Houston Fair Campaign Ordinance/Contractor Submission List
- Exhibit VII: Drug Detection and Deterrence Procedures for Contractors
- Exhibit VIII: Anti-Collusion Statement
- Exhibit IX: Affidavit of Ownership or Control
- Exhibit X: Certification of Pay or Play Compliance

SECTION I. GENERAL INSTRUCTIONS

Submittal Procedure

Five (5) copies of the RFQP's, including one (1) original, signed in ink, are to be submitted in a sealed envelope to:

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

Mailing: Office of the City Secretary
P.O. Box 1562
Houston, Texas 77251

The deadline for the submittal of the proposals is no later than **Friday, October 15, 2010 at 2:00 p.m.** Failure to submit the required number of copies as stated above may be subject for disqualification from the RFQP process.

Respondents may elect to either mail, or personally deliver, their proposals to the City Secretary's Office. Use of mail, courier, or any means other than hand delivery will be at the sole risk of the proposer, and any proposal that is not actually received in the office by the deadline will not be considered. Please clearly label the package "Proposal for Professional Independent Internal Audit and Consulting Services for the City of Houston Office of the City Controller."

The City of Houston shall bear no responsibility for submitting responses on behalf of any Proposer. Respondents may submit their proposals to the City Secretary's Office any time prior to the above stated deadline.

Proposal Format

The proposal should be typewritten and the original signed in ink. They should not be submitted in elaborate or expensive binders. Legibility, clarity and completeness are important and essential.

The Proposal must be signed by individual(s) legally authorized to bind the Proposer(s) and must contain a statement that the proposal and the rates contained therein should remain firm for a period of one hundred-eighty days (180) after receipt of best and final offer.

Additional Information and Specifications Changes

Potential proposers may submit written questions regarding the RFPQ to the Office of the City Controller, Audit Division, Mr. David Schroeder, fax: (832) 393-3532, or david.schroeder@houstontx.gov. Questions will be accepted until **Monday, September 27, 2010 at 5:00 p.m.** local time. Questions received after this date may not be answered. Copies of all responses, if any, to all potential proposer's questions will be available for pick up, in person, at the Pre-Proposal Conference and posted on the City's website at www.houstonpurchasing.org. All potential proposers shall be entitled to a copy of all questions and answers posed to which the City

elects to respond.

Proposers shall be notified in writing and via the website of any changes in the specifications contained in this RFQP.

Pre-Proposal Conference

Interested Proposers are invited to attend the Pre-Proposal Conference. At this meeting the City shall answer questions potential proposers have regarding the RFQP and disseminate answers to questions received. The meeting shall be held **Tuesday, October 5th at 2:00 p.m.** in the 8th Floor Conference Room, City Hall, located at 901 Bagby, Houston, Texas. Interested Proposers should plan to attend. It will be assumed that potential Proposers attending this meeting have reviewed the RFQP in detail and are prepared to bring up any substantive questions which have not already been addressed by the City.

Addenda & Modifications

All addenda, amendments, and interpretations of this solicitation shall be in writing. Any amendment 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 RFQP should be used in preparing proposal responses. *All contacts that a Proposer may have had before or after receipt of this RFQP with any individuals, employees, or representatives of the City and any information that may have been read in any news media or seen or heard in any communication facility regarding this RFQP should be disregarded in preparing responses.*

The City does not assume responsibility for the receipt of any addendum sent to Proposers.

Examination of Documents and Requirements

Each Proposer shall carefully examine all RFQP documents and thoroughly familiarize themselves with all requirements prior to submitting a proposal to ensure that the proposal meets the intent of this RFQP.

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 RFQP. 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 RFQP.

Post-Proposal Discussions With Proposers

It is the City's intent to commence final negotiation(s) with the Proposer(s) deemed most advantageous to the City. The City reserves the right, however, to conduct post-bid discussions with any and all Proposers deemed by the City to be reasonably qualified for selection for award. Post-proposal discussions, conducted at the City's discretion, may include, but are not limited to, requests for additional information, interviews, requests for proposal modification or revision,

and requests for "Best and Final" offers.

Terms, Conditions, Limitations And Exceptions

1. This RFQP 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. 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. The City of Houston shall not be held accountable if material from responses is obtained without the written consent of the vendor by parties other than the City, at any time during the proposal evaluation process.
4. 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. The Proposer 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) for the purpose of influencing consideration of a proposal.
6. 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 RFQP, 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. 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. This RFQP 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 a selected proposer, the City reserves the right to select an alternative Proposer. The City reserves the right to negotiate with the contractor the exact terms and conditions of the contract.
9. Proposers, 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 this RFQP at the time a proposal is submitted to the City.

10. If necessary for the completion of tasks required under the project, the City will provide reasonable working space to the Contractor.
11. Clerical support and reproduction of documentation costs shall be the responsibility of the contractor. If required, such support and costs shall be defined in the contract negotiated.
12. Contractor personnel essential to the continuity and 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 Controller.
13. The Contractor will be expected to adhere to all standard contractual requirements of the City which will 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.
14. The City may terminate its performance under a contract in the event of a default by the Contractor and a failure to cure such default after receiving notice of default from the City. Default may result from the Contractor's failure to perform under the terms of the contract or from the Contractor becoming insolvent, having a substantial portion of its assets assessed for the benefit of creditors, or having a receiver or trustee appointed.
15. Contractor must promptly report to the City Project Administrator any conditions, transactions, situation, or circumstances encountered by the Contractor, which would impede or impair the proper and timely performance of the contract.
16. The City of Houston has sole discretion and reserves the right to cancel this RFQP or to reject any or all proposals received prior to contract award.
17. The City reserves the right to waive any formalities canceling this RFQP, or to reject any or all proposals or any part thereof.
18. The City reserves the right to request clarification of any proposal after all proposals have been received.
19. 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.
20. Proposers must furnish a "Certificate of Vote" signed by their Chief Executive officers or managing partners which lists the specific officers who are authorized to execute agreements on behalf of the company.

21. The selected Proposer 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. After contract execution, the Proposer is the prime 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 express approval from the City Controller.
23. 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. 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 providing 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.

Interpreting Specifications

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 RFQP for guidance, but they are not intended to preclude Proposers 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.

Changes in the specifications, terms and conditions of this RFQP will be made in writing by the City prior to the proposal due date. Results of informal meetings or discussions between a potential proposer and a City official or employee may not be used as a basis for deviations from the requirements contained in this RFQP.

Local Minority/Women Businesses Enterprises Participation

Pursuant to City Code 15-81 et. seq, each Proposer must agree that if awarded the contract, the proposer will make good faith efforts to award subcontracts or purchase agreements of at least **24%** of the total value of the contract to M/WBE firms certified by the City's Affirmative Action Division. Evidence of this Good Faith Effort must be included in the proposal. See EXHIBIT I, "Goal Oriented Minority/ Women Business Enterprises Contract Requirements" for complete documentation requirements. The "Schedule of M/WBE Participation", page 22 of this RFQP, should be completed and included in the proposal. A "Letter of Intent", page 24 of this RFQP,

should also be included for each M/WBE participant.

City of Houston Fair Campaign Ordinance

The City of Houston Fair Campaign Ordinance makes it unlawful for a contractor to offer any contribution to a candidate for City elective office (including elected officers and officers elect) during a certain period of time prior to and following the award of a contract by the City Council. 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 VI of this RFQP describes the contract and documentation requirements relating to this ordinance.

Drug Detection and Deterrence Procedures for Contractors

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, substance abuse and alcohol abuse. It is also the policy of the City that the manufacture, distribution, dispensation, possession (either externally or internally), sale or use of illegal drugs by contractor's employees while on duty at City work sites or on City projects is prohibited. Accordingly, effective September 1, 1994, and pursuant to the Mayor's Executive Order 1-31, as a condition to the award of any contract for labor or services, a successful Proposer 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). The forms included in Exhibit VII must be completed and returned prior to award.

Affidavit of Ownership or Control

The City of Houston's Debt Ordinance being Article VIII of Chapter 15 of the Code of Ordinances establishes a policy that the City will not enter into a contract with persons indebted for delinquent ad valorem taxes to the City. Proposers are advised to familiarize themselves with the terms of the Debt Ordinance prior to submitting their proposals. Submission of the form (Exhibit IX), Affidavit of Ownership or Control, is a requirement of the Debt Ordinance.

Project Administration

Overall project administration shall be provided by the Office of the City Controller. Questions regarding the scope of the project, technical specifications, proposed applications, etc. may be addressed to Mr. Steve Schoonover, City Auditor, at the pre-proposal conference.

City's Contractor Pay or Play Program

The requirement and terms of the City of Houston Pay or Play Policy, as set out in Executive Order 1-7, apply to this proposal. Contractor has reviewed Executive Order 1-7 and shall comply with its terms and time of City council approval of this Agreement. 12.2 The Pay or Play Program for various departments will be administered by the City of Houston Affirmative Action Division's designee and for a Department specific contract; the Department's designated

contract administrator will administer the Pay or Play Program. Contractor shall execute and submit the Certification of Compliance with the City's Pay or Play program attached with Exhibit "H" with its proposal.

SECTION II. SCOPE OF WORK

BACKGROUND

The mission of the Office of the City Controller is to superintend and supervise the fiscal affairs of the City of Houston and to manage and conduct the same as prescribed by the City Charter and the City Code of Ordinances. The City Controller's Audit Division is an independent appraisal activity that issues its findings and recommendations to the Honorable Mayor, City Council Members, and department management.

The Audit Division makes recommendations concerning the adequacy and effectiveness of the City's internal control structure, effective safeguarding and utilization of City resources, and management's performance in carrying out assigned responsibilities. The scope of activities includes, but is not limited to evaluating and enhancing the City's accounting policies and procedures that constitute the internal control structure; assessing compliance with appropriate City, State, and Federal policies, laws, and regulations; appraising the economy, efficiency, and effectiveness of functions and activities; developing recommendations for cost savings; ascertaining City revenues are maximized, safeguarded, and controlled; ascertaining the extent to which City assets are accounted for and safeguarded from losses; and investigating allegations of fraud, waste, and abuse received from various sources.

PURPOSE

The City of Houston, Office of the City Controller, invites prospective Contractor(s) to submit their written proposal to perform Internal Audit and other specific services as requested by the City Controller as well as prepare the resulting report.

SCOPE OF SERVICES

Contractor(s) will agree to provide all labor, materials, and supervision necessary to perform the following:

- I. Basic Services
- II. Special Services

All parties to this Contract will understand and acknowledge that the Basic Services and Special Services do not constitute an audit of the City's financial statements or a comprehensive evaluation of internal controls. Accordingly, the findings reported from these services only relate to those items tested and do not purport to provide an opinion on the City's financial statements or city-wide internal control structure.

In addition, all parties understand and acknowledge that the City Controller will be responsible for requesting the specific services to be provided by each Contractor and that such Contractor shall assume complete responsibility for performing the services requested by the City Controller and prepare the resulting report. The City Controller shall have the sole responsibility for approving the scope of each project's work plan, required fees and hours to be dedicated to each project.

I. Basic Services

Contractor(s) will conduct internal audits and/or consulting services as assigned by the City Controller, in conformity with established professional standards. The Contractor(s) shall provide all services and materials necessary for the proper performance of the engagements. Contractor(s) must provide to the City Controller a written proposal for fees for Basic Services on an Hourly Rate by Position Title. When engaged to conduct or assist on an audit/review, the Contractor(s) shall indicate any deficiencies and make recommendations for curing said deficiencies with the objective of improving the performance of the operation being studied. The Contractor(s) shall be responsible for testing of processes or transactions relating to specific projects or financial areas identified by the City Controller.

Firms will be requested to perform financial audits; attestation engagements; contract compliance; and performance audits. Firms shall also state their qualifications to conduct performance audits that encompass a wide variety of objectives, including objectives related to assessing program effectiveness and results; economy and efficiency; internal control; compliance with legal or other requirements; and objectives related to providing prospective analyses, guidance, or summary information. Work performed shall include the review of the reliability and integrity of information; compliance with policies, plans, procedures, laws, regulations, and contracts; safeguarding of assets; and accomplishment of established objectives and goals for operations or programs.

The following work plan is designed to address the general tasks associated with a given audit or review:

- Task I: Develop an understanding of audit scope, risk, and testing needed. Prepare a detailed audit program that adequately addresses the City's financial and business risks associated with the audit.
- Task II: Assess the internal control structure specific to the audit, including information technology access and processing controls. Based on the analysis, the Contractor(s) shall make recommendations for improvements in controls and the development of a plan to improve efficiency in the operations.
- Task III: Analyze and test each type of transaction processed and each type of audit risk identified, the Contractor(s) shall select a sample of transactions for detailed testing to determine compliance with prescribed policies, procedures, laws and regulations. Contractor(s) may utilize its own software to analyze

transactions and select the sample to be tested. Upon completion of Task III, the Contractor(s) shall provide a report containing findings, recommendations, and commendations related to the detailed testing.

Task IV: Management's response - During the performance of each Task, the Contractor(s) shall communicate to the City Controller its findings and support for such findings and shall make recommendations based on those findings. All preliminary findings shall be discussed with the Department Director or other designated Department management to ensure the findings are factual and the recommendations are both meaningful and practical. The department shall be responsible for preparing written responses for each recommendation and where appropriate developing a corrective action plan. Contractor(s) shall also review management responses as to facts and responsiveness. Upon completion of Task IV, the Contractor(s) shall prepare and deliver Management's responses to the City Controller for inclusion with the final audit report. The Contractor(s) shall attach the Department's Management responses to the final audit report. As an alternative, management's responses may be incorporated within the body of the audit report.

Task V: Finalize and present the final reports to the City Controller who will distribute such reports with Management responses to the Mayor, City Council, and Department Heads. The reports (minimum 35 copies per audit) will be presented in a hard copy bound version as well as an electronic format. The City Controller reserves the right to formulate and present policy recommendations to the Mayor and City Council.

Additionally, work will be assigned that may be consultative in nature and will include assessments of specific risks and evaluations of the efficiency, effectiveness, and usage of City property and operations. As a result, work product generated from these activities may include recommendations for improving control processes. Resulting reports will include recommendations for improving operational efficiency.

II. Special Services

If Special Services are requested, the Contractor(s) must provide to the City Controller a written itemized cost estimate of such services in the form of a proposal. The Contractor(s) shall not be obligated to perform any Special Services, nor shall the City be obligated to pay for any Special Services, unless such Special Services are requested in a written notice (engagement letter) signed by the City Controller or her designee. The engagement letter shall outline the specific work plan, specialized skills, timetable, documents to be delivered, and the estimated hours and fees for the project. Any Special Services requested during the Contract term shall be in accordance with agreed to fees. Upon notification and approval by the City Controller and the availability of funds, the Contractor(s) shall proceed with the Special Services.

Special Services include but are not limited to the following tasks:

1. Expert Witness - A Contractor may be requested to assist the City as an expert witness in litigation with third parties or at administrative proceedings.
2. Conference or Training - Attend periodic conferences with City Officials and regulatory officials or conduct special training sessions related to City policies and procedures, redesigned business processes, technical governmental or financial accounting and auditing issues, grant compliance requirements, and other applicable laws and regulations.
3. Special Investigations or Studies - Conduct special investigations or studies (within a Contractor(s) professional qualifications) reasonably related to the Basic or Special Services, but not specified herein.

Contract Term

The Contract shall become effective on the Countersignature Date and remain in effect for three years unless sooner terminated as provided in the contract. Upon expiration of the Initial Term, the Contract may be renewed by the City Controller for up to two (2) successive one year terms upon the same terms and conditions, unless the City Controller gives Contractor(s) notice that it will not be renewed at least thirty (30) days prior to the then current term. Contractor(s) agree that services provided to the City after the termination date of the contract, unless an extension of time has been granted or unless the Contract has been renewed, will be deemed to be gratuitously provided, and the City shall have no obligation to pay for such services unless City Council approves an agreement to do so in its sole discretion.

SECTION III. PROPOSAL OUTLINE AND CONTENT

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. Proposers are encouraged to include additional relevant information. Proposals should provide a straightforward, concise description of the Proposer's capabilities to satisfy the requirements of the RFQP. Emphasis should be on completeness, clarity of content, and conveyance of the information requested by the City.

Title Page

The title page should include **the RFQP subject and RFQP number CTR-091010**, the name and address of the Proposer and the date of the proposal.

Letter of Transmittal

The original copy of the proposal must be organized into the following response item sections:

- (1) Cover letter addressed to the City Controller that states the Proposer's understanding of the Services to be provided. Include any additional information believed necessary that is not requested elsewhere in the RFQP.
- (2) The names, titles, addresses, and telephone numbers of the individuals who are authorized to make representations on behalf of the Proposer.
- (3) A statement that the person signing the transmittal letter is authorized to legally bind the Proposer; that the proposal and the rates contained therein shall remain firm for a period of one hundred-eighty days (180) after receipt of the best and final offer and that the proposal will comply with the requirements and arrangements in Section I of this RFQP.
- (4) Disclosure of any obligations posing a potential conflict of interest, including service on City boards and/or commissions and any current contracts with the City of Houston. This would apply to the Proposer as well as consultants subcontracted by the Proposer.
- (5) Any material which the proponent wishes to submit and which is not specifically requested in the above categories. If the proposal includes any comment over and above the specific information requested in the RFQP, it is to be included as a separate appendix to the proposal.

NOTE: PROPOSAL MUST BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE PROPOSER, WHICH MUST BE THE ACTUAL LEGAL ENTITY THAT WILL PERFORM THE CONTRACT IF AWARDED.

Financial Statement

Please submit your company's most recent financial statement.

Contents

The contents should be identified by section, description, and page number.

Recommendations/Exceptions

If your organization takes exception to the equipment and/or services requested in this RFQP, please state specifically within your proposal your objection. If you feel the technical specifications are slanted toward one (1) particular vendor or service provider, please state in writing your concerns. If you feel that another firm has been given any type of an advantage in responding to this RFQP, please notify the City of Houston, Office of the City Controller, Audit Division, Attn: David Schroder (832) 393-3510, Fax (832) 393-3532, david.schroeder@houstontx.gov 901 Bagby, Houston, Texas 77002.

Invoicing

The City of Houston is a single entity for accounting, billing, and discounting. Any invoices accompanied by detailed supplements and other back up documents are to be submitted to:

City of Houston
Office of the City Controller
Audit Division, 9th Floor
P.O. Box 1562
Attn: David Schroeder
Houston, Texas 77251

The City of Houston requires timely and accurate accounting and billing information.

Release

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 IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

Insurance Requirements

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 and shall be primary to any other insurance. 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.

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

1. Commercial General Liability Insurance including Contractual Liability:
\$500,000 per occurrence; \$1,000,000 aggregate, (defense costs excluded from face value of the policy)
2. Worker's Compensation including Broad Form All States Endorsement:
Amount shall be statutory amount.
**** Employer's Liability cannot be used as a substitute for Worker's Compensation**
3. Automobile Liability (See Note Below);
\$1,000,000 Combined Single Limit per occurrence
4. Professional Liability Issuance - \$1,000,000
\$1,000,000 Combined Single Limit per occurrence

Automobile liability 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 MUST BE COVERED IN THE LIMITS SPECIFIED.

All of the insurance required to be carried by the Contractor hereunder shall be by policies which shall require on their face, or by endorsement, that the insurance carrier waive any rights of subrogation against the City. The Contractor shall give thirty (30) days written notice to the City before any policy is cancelled, materially changed or non-renewed. Within such thirty (30) day period Contractor covenants that it will provide other suitable policies in lieu of those about to be cancelled or materially changed so as to maintain in effect the coverage required under the provisions hereof. Failure or refusal of the Contractor to obtain and keep in force the above

required insurance coverage shall authorize the City, at its option, to terminate this contract at once.

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 his policies excluding Workers' Compensation and Employer's Liability.

(See Insurance Requirements Exhibit for a sample insurance certificate format).

Only unaltered original insurance certificates endorsed by the underwriter are acceptable. Photocopies are unacceptable.

Contractor shall maintain in effect certain insurance coverage, which is described as follows:

1. Form of Policies: The City Controller may approve the form of the insurance policies, but nothing the Controller does or fails to do relieves Contractor from its duties to provide the required coverage under this Agreement. The City Controller's actions or in-actions do not waive the City's right under this Agreement.
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. Insured Parties: Each policy, except those for Worker's Compensation, Employer's Liability, and Professional Liability, must name the City (and its elected and appointed officials, officers, agents, and employees) as Additional Insured parties on the original policy and all renewals or replacements during the term of the Contract.
4. Deductibles: Contractor shall assume 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.
5. Cancellation: Each policy must state that it may not be canceled, materially changed, or non-renewed unless the Contractor gives the Controller 30 days' advance written notice. Contractor shall give written notice to the Controller 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.
6. Subrogation: 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 elected and appointed officials, officers, agents, or employees.

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.
8. Liability for Premium: Contractor shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.
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 Controller.

10. Proof of Insurance

- A. On the Effective Date and at any time during the Term of this Agreement, Contractor shall furnish the City Controller 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 City Controller, Contractor shall furnish the City with certified copies of Contractor's actual insurance policies.
 - B. 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 City Controller, 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 deduct the cost of the premiums from amounts due to Contractor under this Agreement.
 - C. 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.
11. Other Insurance: If requested by the City Controller, Contractor shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Contractor's operations under this Agreement.

Contractor Performance Language

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 City Controller'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.

Inspections and Audits

City representatives may have the right to perform, or have performed, (1) audit's 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.

SECTION IV. EVALUATION AND SELECTION PROCESS

Award Of Contract

The award of this contract(s) will be made to the respondent(s) offering the response which best meets the needs of the City. Each respondent will be evaluated on the basis of the following evaluation criteria which are listed in order of importance below:

- a) Experience of Proposer (30%)
- b) Qualifications and Experience of assigned team members (25%)
- c) Quality of Proposal (20%)
- d) Rates (15%)
- e) Good Faith Efforts to meet City established MWBE goals of 24% for professional services contracts (10%)

EXHIBIT I

EQUAL EMPLOYMENT OPPORTUNITY CLAUSE

CITY OF HOUSTON, TEXAS
EQUAL EMPLOYMENT OPPORTUNITY CLAUSE

Pursuant to City Council Ordinance No. 78-1538, passed August 9, 1978, all contracts entered into by the City of Houston involving the expenditure of Ten Thousand (\$10,000.00) Dollars, or more, shall incorporate the following Equal Employment Opportunity Clause:

1. The contractor, subcontractor, vendor, supplier, or lessee 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 lessee 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 lessee 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 lessee 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 lessee will send to each labor union or representatives or 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 workers' 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 lessee 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 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 lessee 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 workforce statistics of the contractor, subcontractor, vendor, supplier, or lessee.

6. In the event of the contractor's, subcontractor's, vendor's, supplier's or lessee's non-compliance with the nondiscrimination clause of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part, and the contractor, subcontractor, vendor, supplier, or lessee 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 each of his 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 II

**GOAL ORIENTED MINORITY/WOMEN BUSINESS
ENTERPRISES CONTRACT REQUIREMENTS**

**ATTACHMENT "A"
CITY OF HOUSTON
SCHEDULE OF M/WBE PARTICIPATION**

DATE OF REPORT: _____

BID NO.: _____

FORMAL BID TITLE: _____

NAME OF MINORITY/ WOMEN SUBCONTRACTOR	AFFIRMATIVE ACTION DIVISION CERTIFICATION NO.	STREET ADDRESS AND CITY, STATE, ZIP CODE	TELEPHON E NO.	SCOPE OF WORK	AGREE PRICE
TOTAL.....\$ _____					
M/WBE PARTICIPATION AMOUNT..... _____ %					
TOTAL BID AMOUNT.....\$ _____					

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

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

- NOTE: 1. ALL FIRMS LISTED ABOVE MUST BE CERTIFIED (OR ELIGIBLE FOR CERTIFICATION) BY THE AFFIRMATIVE ACTION DIVISION.
2. THIS SCHEDULE OF M/WBE PARTICIPATION SHOULD BE RETURNED, IN DUPLICATE, WITH THE BID FORM.

BIDDER COMPANY NAME

SIGNATURE OF AUTHORIZED OFFICER OR AGENT OF BIDDER

NAME (TYPE OF PRINT)

TITLE

ATTACHMENT "B"

SAMPLE LETTER OF INTENT

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

TO: City of Houston
Purchasing Agent

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

Contract Bid Number: _____

Bid Title: _____

Bid Amount: _____

M/WBE Participation Amount: \$ _____ M/WBE GOAL _____%

1. _____ agrees to perform work/supply goods and/or services
Name of Minority/Women Business Enterprise
in connection with the above-named contract and _____ as:

Name of Prime Contractor

- (a) _____ An Individual
- (b) _____ A Partnership
- (c) _____ A Corporation
- (d) _____ A Joint Venture

2. _____ status is confirmed by M/WBE Directory made available
Name of Minority/Women Business Enterprise
through the City of Houston Affirmative Action Division. Certification # _____.

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

The Terms and conditions of Attachment "E" attached hereto are incorporated into this Letter of Intent for all purposes.

Signed-Prime Contractor

Signed-Minority/Women Business Enterprise

Title

Title

Date

Date

ATTACHMENT "C" - CITY OF HOUSTON CERTIFIED M/WBE SUBCONTRACT TERMS

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

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

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

The M/WBE policy of the City of Houston will be discussed during the pre-bid. For information, assistance, and/or to receive a copy of the City's Affirmative Action policy and/or ordinance contact the Affirmative Action Division at (713) 837-9000, 611 Walker, 20th Floor, 14th Floor, Houston, Texas 77002.

ATTACHMENT "D"
CITY OF HOUSTON
Affirmative Action and Contract Compliance
M/WBE Utilization Report
Report Period _____

PROJECT NAME & NUMBER _____
 DATE: _____

AWARD _____

PRIME CONTRACTOR _____
 _____ NO.: _____

CONTRACT

ADDRESS: _____

CONTRACT

AMOUNT:

LIAISON/PHONE NO.: _____
 GOAL: _____

M/WBE

DATE: AMT. PAID BY CITY TO

M/WBE SUB/VENDOR NAME	DATE OF AA CERTIFICATION	DATE OF SUBCONTRACT	SUBCONTRACT AMOUNT	% OF TOTAL CONTRACT	AMOUNT PAID THIS PERIOD	AMOUNT PAID TO DATE	% OF CONTRACT TO DATE
TOTALS							

Use additional pages if needed. _____ submit by the 15th day following the
 Provide support documentation on all revenues paid to end of the report period to:
 M/WBEs to reflect up/down variances on contract amount

Affirmative Action Division
 ATTN: Velma Laws 713-837-9018
 611 Walker, 20th Floor
 Houston, Texas 77002

EXHIBIT III

**LIST OF PREVIOUS CUSTOMERS/
LIST OF SUBCONTRACTORS/
SUBMITTAL FORM**

EXHIBIT III

LIST OF PREVIOUS CUSTOMERS:

1. Name _____ Phone No.
Address
Contract Award Date
Contract Completion Date
Contact Name/Title
System Description

2. Name _____ Phone No.
Address
Contract Award Date
Contract Completion Date
Contact Name/Title
System Description

3. Name _____ Phone No.
Address
Contract Award Date
Contract Completion Date
Contact Name/Title
System Description

4. Name _____ Phone No.
Address
Contract Award Date
Contract Completion Date
Contact Name/Title
System Description

5. Name _____ Phone No.
Address
Contract Award Date
Contract Completion Date
Contact Name/Title
System Description

6. Name _____ Phone No.
Address
Contract Award Date
Contract Completion Date
Contact Name/Title
System Description

SUBMITTAL FORM

Respectfully Submitted:

(print or type name of Contractor - full company name)

By: _____
(signature of authorized officer or agent)

Name: _____

Title: _____

Date: _____

Attest/Witness:

(signature)

Name: _____

Title: _____

Date: _____

Address of Contractor:

Telephone No. of Contractor: (_____) _____

(Signature, name and title of Affiant)

Notary Public in and for

_____ County, Texas

My Commission Expires:

_____ day of _____ 19__

EXHIBIT IV
RATES FORM

EXHIBIT V

INSURANCE REQUIREMENTS FOR CONTRACTS

EXHIBIT V

CITY OF HOUSTON

INSURANCE REQUIREMENTS FOR CONTRACTS

To comply with the terms and conditions for insurance in a City of Houston contract, the Contractor's insurance certificate must be prepared as follows:

- A. The City of Houston must be listed as an additional insured on the face of the certificate.

EXHIBIT VI

CITY OF HOUSTON FAIR CAMPAIGN ORDINANCE/CONTRACTOR SUBMISSION LIST

EXHIBIT VI

CITY OF HOUSTON FAIR CAMPAIGN ORDINANCE

The City of Houston Fair Campaign Ordinance makes it unlawful for a contractor to offer any contribution to a candidate for City elective office (including elected officers and officers-elect). All respondents to this Request For Proposals 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, all partners of partnerships, and all officers, directors and holders of 10% or more of the outstanding shares of corporations.

A STATEMENT DISCLOSING THE NAMES AND BUSINESS ADDRESSES OF EACH OF THOSE PERSONS WILL BE REQUIRED TO BE SUBMITTED WITH EACH BID OR PROPOSAL FOR A CITY CONTRACT. 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 a bid or proposal.

CONTRACTOR SUBMISSION LIST --
CITY OF HOUSTON FAIR CAMPAIGN ORDINANCE

This list is submitted under the provisions of Section 18-36(b) of the Code of Ordinances, Houston, Texas, in connection with the attached proposal, submission or bid of _____ ("the firm"), whose business address is _____ . The firm is organized as a (check one as applicable):

[] a SOLE PROPRIETORSHIP, whose proprietor is _____ (include the business mailing address of the proprietor or note "same" if the same as above)

[] a PARTNERSHIP, each of whose partners are _____

(include the business mailing address of each person or note "same" if the same as above)
above) _____

[] a CORPORATION, each of whose officers, each of whose directors and each of whose holders of ten _____

(include the business mailing address of each person or note "same" if the same as above)

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. Submission of a false government record is punishable as provide in § 37.01 of the Texas Penal Code. Attach additional pages if needed to supply the required names and addresses.
Revised 3/29/95.

EXHIBIT VII

DRUG DETECTION AND DETERRENCE PROCEDURES FOR CONTRACTORS

CITY OF HOUSTON

DRUG DETECTION AND DETERRENCE PROCEDURE

- (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.

DRUG POLICY COMPLIANCE AGREEMENT

ATTACHMENT A

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

(Contractor)
(Name of Company)

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

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

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

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

Date

Contractor Name

Signature

Title

DRUG POLICY COMPLIANCE DECLARATION

ATTACHMENT B

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 meets the
Initials 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 Detection and
Initials 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 (HHS)
Initials guidelines.

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

_____ From _____ to _____ the following testing has
Initials occurred:

	(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

**Contractor's Certification Of No Safety Impact Positions
In Performance Of A City Contract**

ATTACHMENT C

I,

(Name) (Print/Type)

(Title)

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

Date

Contractor Name

Signature

Title

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

ATTACHMENT D

I, _____ as an owner
or officer of
(NAME) (PRINT/TYPE)

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

DATE

CONTRACTOR NAME

SIGNATURE

TITLE

EXHIBIT VIII

ANTI-COLLUSION STATEMENT

EXHIBIT VIII
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

AFFIDAVIT OF OWNERSHIP OR CONTROL

CITY OF HOUSTON CONTRACTOR OWNERSHIP DISCLOSURE ORDINANCE:

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, 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.

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. **[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) (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]** _____

Orig. Dept.: _____

File/I.D. No.: _____

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 X

**CERTIFICATION OF AGREEMENT TO COMPLY WITH
PAY OR PLAY PROGRAM**



**CERTIFICATION OF AGREEMENT TO
 COMPLY WITH PAY OR PLAY PROGRAM**

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

Contractor Address: _____

Project No.: [GFS/CIP/AIP/File No.] _____

Project Name: [Legal Project Name] _____

In accordance with the City of Houston Pay or Play Program authorized by Ordinance 2007-534, Contractor 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 each covered employee, including those of subcontractors subject to the program.

- Yes No Contractor agrees to Pay \$1.00 per hour for work performed by covered employees under the contract with the City and to ensure compliance by covered subcontractors and contract labor to the terms of the Pay or Play Program.
- Yes No Contractor agrees to provide health benefits to each covered employee and ensure compliance by the covered subcontractors. 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; 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.
- Yes No Contractor agrees to pay on behalf of some covered employees and contract labor and play on behalf of other covered employees, in accordance with program requirements, including subcontractors' employees, if applicable.
- Yes No If contract labor is utilized the Contractor agrees to report hours worked by the contract laborer and Pay \$1.00 per hour for work performed.
- Yes No Contractor will comply with all provisions of the Pay or Play Program and will furnish all information and reports requested to determine compliance with program provisions.
- Yes No For Prime Contractors Only: Contractor will file compliance reports with the City, which will include activity for subcontractors subject to the program, in the form and to the extent requested by the administering department or the Affirmative Action and Contract Compliance Office. Compliance reports shall contain information including, but not limited to, documentation showing employee health coverage and employee work records.

*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)