



DEPARTMENT OF FINANCE AND PURCHASING

345 South Main Street
Harrisonburg, VA 22801

Table with 3 columns: ISSUE DATE (February 3, 2014), REQUEST FOR PROPOSAL NUMBER (2014027-FN-P), FOR (Banking Services), DEPARTMENT (Finance), DATE/TIME OF CLOSING (February 25, 2014 at 3:00 PM local time), CONTRACT ADMINISTRATOR (Larry Propst, Director of Finance)

Proposals - In accordance with the following and in compliance with all terms and conditions, unless otherwise noted, the undersigned offers and agrees, if the proposal is accepted, to furnish items or services for which prices are quoted, delivered or furnished to designated points within the time specified.

NAME AND ADDRESS OF FIRM:

Telephone/Fax No.:

Federal Employer Identification # :

State Corporation Commission #:

E-mail:

Prompt Payment Discount: ___% for payment within ___ days/net ___ days

By signing this proposal, Vendor(s) certifies, acknowledges, understands, and agrees to be bound by the conditions set forth in this RFP.

CHECK ONE: [] INDIVIDUAL [] PARTNERSHIP [] CORPORATION [] LLC

Vendor's Legally Authorized Signature

Date

Print Name

Title

Sealed proposals, subject to terms and conditions of this Request for Proposal will be received by the City of Harrisonburg Purchasing Agent at 345 South Main St, Room 201, Harrisonburg, Virginia 22801 until the date/time specified above for furnishing items or services delivered or furnished to specified destinations within the time specified or stipulated by the vendor(s).

The City does not discriminate against small and minority businesses or faith-based organizations.

*This document must be completed and returned with proposal.

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1.0 PURPOSE

The purpose of this Request for Proposal (RFP) is to solicit sealed proposals from qualified banking institutions to establish a contract for Banking Services through competitive negotiations to the City of Harrisonburg, Virginia (City). The banking institution (Offeror) will provide at a minimum the basic banking services outlined in the scope of services. This RFP also covers Banking Services for the City of Harrisonburg School Board (School Board).

2.0 INSTRUCTIONS TO OFFERORS

- 2.1 Four (4) paper copies and one (1) electronic copy (on CD or thumb drive) of the proposal shall be submitted to:

City of Harrisonburg Purchasing Office
Ms. Pat Hilliard, Purchasing Agent
345 South Main Street, Room 201
Harrisonburg, VA 22801

- 2.2 Questions related to the RFP and the selection process should be in writing and directed to:

Ms. Pat Hilliard, Purchasing Agent
Fax: (540) 432-7778
E-mail: Purchasing@harrisonburgva.gov

Questions or requests for clarification may be faxed or emailed to the contact listed above by Tuesday, February 18, 2014 at noon, local time. All relevant questions and responses to inquiries will be posted as addenda on the City's Purchasing web page at www.harrisonburgva.gov/bids-proposals and also on eVA at www.eva.virginia.gov. It is the responsibility of all Offerors to ensure that they have received all addenda and to include signed copies of any and all addenda with their proposals.

Please note that the City will be closed on Monday, February 17, 2014 in observation of President's Day. Keep this in mind when considering the best date for proposal delivery and when submitting questions.

- 2.3 All proposals must be in an opaque, sealed envelope or box and clearly marked: "Sealed Proposal: Banking Services 2014027-FN-P". Proposals shall clearly indicate the legal name, address and telephone number of the Offeror (company, firm, partnership or individual). All expenses for making this proposal to the City shall be borne by the Offeror. **All proposals shall be received at the address listed above by Tuesday, February 25, 2014 at 3:00pm, local time.** Any proposal received after this time and date will not be considered. The Offeror has the sole responsibility to have the proposal received by the City's Purchasing Agent at the above address and by the above stated time and date. Clearly identified proprietary information will not be disclosed during the selection process. Attachment B provides a place to identify any proprietary information.

3.0 BACKGROUND INFORMATION

The City lies in the geographic center of the Shenandoah Valley of Virginia. The Blue Ridge Mountains on the East and the Alleghenies on the West provide protection so the area is markedly free from climate extremes and disturbances. The City is equidistant from Washington, D.C. (124 miles), Richmond, Virginia (116 miles), and Roanoke, Virginia (111 miles). The City is autonomous and entirely independent of any county or any other political subdivision. The City was established in 1780 and became an incorporated city in 1849. It now encompasses 17.3 square miles with a current estimated population in excess of 50,000 and a public school enrollment in excess of 4,700 students.

The City's primary office location is at 345 South Main Street in Harrisonburg, Virginia. The City's Finance Department and the Treasurer's offices are located at this location. The Treasurer is responsible for the collection of all City receipts and the Finance Department is responsible for the disbursement of funds and other banking services. The City currently has a banking services contract with SunTrust Bank that expires on June 30, 2014.

The City currently conducts its banking services jointly with the School Board. Current banking services include but are not limited to depository services during business banking hours, electronic banking services such as ACH debits and credits (payroll direct deposits), incoming and outgoing wire transfer services and accounts payable and payroll checks that utilize positive pay. Statistics showing the average monthly transaction volumes for the various banking services used by the City are contained on Attachment D.

4.0 MINIMUM QUALIFICATIONS

The proposal must demonstrate that the Offeror has the resources and capabilities to provide the requested banking services on an "as needed" basis as prescribed in the RFP. Offerors shall submit documentation with their proposal demonstrating compliance with the minimum qualifications. The following criteria shall be met in order to be considered under this RFP:

- 4.1** The Offeror shall be a "Qualified Public Depository" as defined in §2.2-4400 Virginia Security for Public Deposits Act of the Code of Virginia. Prior to the deposit of any City funds, the Offeror must, for the protection of any such deposits, have first pledged or deposited into escrow securities of such quality as required by the Virginia Security for Public Deposits Act. Offerors shall also provide documentation of any non-compliance within the last twelve (12) months as reported to the Commonwealth of Virginia Department of Treasury.
- 4.2** The Offeror shall have at least five (5) years of similar governmental banking experience.
- 4.3** The Offeror must have a local branch presence within the City.

5.0 SCOPE OF SERVICES

The Offeror shall meet or exceed all requirements of this RFP. Offeror shall provide details on the full services that can be offered related to the City's existing needs in the scope of services, as well as those that would exceed the City's needs. Offeror shall include product or system enhancement information for any product or service that would enable a more efficient use of City time and money.

Basic Banking Services

5.1 Current Account Structure. The City currently utilizes an interest-bearing General Concentration Account that is associated with two (2) Zero Balance (ZBA)/Controlled Disbursement Accounts (CDA). The General Concentration Account is the primary depository account for City deposits and is interest-bearing.

Both CDA accounts utilize positive pay with daily submission of issue and void files. One (1) account relates to City payroll and City and School Board accounts payable and one (1) account relates to the School Board payroll. Direct deposit files are processed bi-weekly for the City and monthly for the School Board. Accounts payable checks are typically processed weekly for both the City and School Board.

5.2 Bank Deposit Services. The Offeror shall provide the following bank deposit services:

5.2.1 Accept all deposits made by the City Treasurer on a daily basis at any Harrisonburg branch location. The deposits shall include cash, coin, encoded checks and unencoded checks. Checks will typically be encoded prior to deposit.

5.2.2 Returned deposited checks shall be returned to the City with a debit advice attached either by mail or electronic means. Typically, checks shall be presented twice for collection before being returned to the City.

5.2.3 Online access to images (front and reverse) of deposited items shall be made available.

5.2.4 Blank deposit tickets in such quantities as are required from time to time. The City currently utilizes a three-part form.

5.3 Check Disbursement Services. The two (2) CDA accounts currently utilize full account reconciliation services. The Offeror shall provide the following cash disbursement services:

5.3.1 Positive pay capabilities for check disbursement fraud protection with electronic file submission and with online decision making capabilities. Verification of file submission, preferably by email, is desired. The City currently does not utilize payee name verification.

5.3.2 Unlimited stop payment services via an online platform. The service shall include processing and confirming stop payments.

5.3.3 Images (front and reverse) of all cancelled checks on a CD and/or accessible online.

5.4 Automated Clearing House (ACH) Services. The City currently utilizes ACH debit and credit processing in a variety of fashions such as direct deposits and utility billing collections. Direct deposit files are processed bi-weekly for the City (approximately 640 participants) and monthly for the School Board (approximately 770 participants). Utility billing collections are processed nine times each month. The Offeror shall provide the following ACH services:

5.4.1 Electronic deposits and disbursements utilizing ACH debits and credits. An online platform shall be provided for processing ACH transactions from or to the City's General Concentration Account or other City account as appropriate. Dual approval control is required on all ACH initiated transactions.

5.4.2 Notices of changes and returns of ACH transactions shall be reported on a daily basis with the capability of electronic delivery of the change or return.

5.4.3 The City does not currently utilize ACH fraud protection services, however, the capability of providing ACH fraud protection must be provided as an option.

5.5 Wire Transfer Services. The City currently utilizes preformatted (repetitive), free-form (non-repetitive) and phone initiated wire transfers. The Offeror shall provide the following wire transfer services:

5.5.1 An online platform shall be provided for processing outgoing wire transfers from the City's Concentration Account or other City account as appropriate. Template groups functionality is desired. Dual control is required on all outgoing wires whether repetitive, non-repetitive or phone initiated. If the City, for any reason, is unable to execute the wire transfer via the online platform, the bank shall accept verbal wire transfer requests by the Treasurer or their designee.

5.5.2 Online access to confirmations of outgoing wire transfers, or preferably automatic electronic delivery, shall be provided.

5.5.3 A customer service representative for resolution of any wire transfer problems.

5.6 Online Banking Services. The Offeror shall provide full service online banking services that includes but is not limited to:

5.6.1 Prior day balance reporting capabilities with debit and credit transaction listings.

- 5.6.2 Online image retrieval of cleared and deposited check items.
 - 5.6.3 Capability to search for transaction items.
 - 5.6.4 Online ACH debit and credit processing (includes direct deposit). Capabilities shall include online entry and file upload.
 - 5.6.5 Online wire transfer capabilities.
 - 5.6.6 Online stop payments for disbursement checks.
- 5.7 **Account Analysis Services.** The Offeror shall provide the City a monthly account analysis statement. The account analysis statement shall include, at a minimum, all information substantially in the form of the pricing sheet such as service description, unit cost, extended price and earnings credit (where applicable) shall be identified per account and for the relationship as a whole. The statement shall also include the average daily collected balance, average daily ledger balance and any compensating balances required to support the monthly service charges for each account and for the relationship as a whole.
- 5.8 **Customer Services.** The Offeror shall provide an officer of at least a Vice President (“Officer”) level to act as the primary liaison between the City and the bank. The Officer shall be responsible for conflict resolution between the City and the selected bank. The Offeror shall provide direct contact information of the Officer and a secondary liaison in the event the Officer is unavailable. The Offeror shall endeavor to respond to any inquiries by the City on the same day but in no case later than the next business day. The Offeror shall provide any requested training to appropriate City staff for all online banking services. Any new services shall be made available to the City with associated cost for services negotiated at the time of the new service offer.
- 5.9 **Contingency Planning.** Although the bank may provide a viable product for each and every service the City is requesting, the City needs to ensure these products and services are available in alternative methods if there are unforeseeable emergencies making standard procedures unworkable. The bank shall provide a contingency plan to ensure access to standard operating functions. This shall include, but not be limited to, the following potential circumstances: (1) the online platform is down and the City is unable to obtain balance reporting, wire transfer and ACH processing services, (2) file transfer malfunctions to positive pay or ACH transmission or (3) primary banking location is unavailable.
- 5.10 **Employee Services.** In order to entice continued participation in the direct deposit program, the bank shall provide free checking account services for participating City and School Board employees. The Offeror may also describe other banking services that may be available to City and School Board employees.

5.11 Transition of Services. In order to ensure a smooth transition of services, the Offeror shall provide the following transition of services:

5.11.1 The Officer and key staff shall meet with City staff immediately after the contract has been fully executed for a project kickoff meeting. In addition, the Officer and key staff shall be available for other meetings as required by the City.

5.11.2 The Officer shall provide within ten (10) days of contract execution a schedule of the transition process, as well as, a list of any documents, files or information it shall need from the current banking service provider in order to have a successful transition.

5.11.3 The Officer shall provide bi-weekly status reports to the City regarding the progress of the transition of services.

5.11.4 If requested, the Offeror shall provide on-site training to appropriate City staff for all online banking services.

5.11.5 The Offeror shall be responsible for bearing all transition costs that may occur as a result of, including but not limited to, the conversion of existing images, loading of files, etc.

5.11.6 At the termination of any contract resulting from this RFP, the Offeror shall work with the City and the new banking services provider. The Offeror shall provide any requested files, reports or documents within one (1) week or as otherwise requested by the City.

Optional and Future Banking Services

5.12 The City intends to implement processing check deposits via a remote deposit process in the future. Offeror shall provide pricing for bank transaction fees and recommended equipment.

5.13 The City may begin utilizing payee name verification for check disbursements in the future. Offeror shall provide pricing for bank transaction fees.

5.14 Payment Card Acceptance/Merchant Services. The City also requests a response to provide payment card processing/merchant services. The City currently accepts direct credit and debit card payments at several locations. The current locations include the Heritage Oaks Golf Course, Parks and Recreation Department and the Rocktown Gift Shoppe. Transactions are generally card-swiped and, if necessary, hand keyed. All card transactions are authorized, captured, balanced and settled on a daily basis (batched nightly) with ACH transactions credited the following business day. The Offeror should

provide processing and equipment fee information. Any existing or new equipment requiring reprogramming shall be done free of charge. Fees are invoiced monthly. This service is subject to additional negotiation and/or cancellation at any time during the contract term.

Equipment and/or Software

Heritage Oaks Golf Course currently utilizes a First Data™ FD100Ti terminal.

Parks & Recreation currently utilizes a magnetic stripe reader with a separate receipt printer. The equipment is integrated with RecTrac software from Vermont Systems, Inc.

Rocktown Gift Shoppe currently utilizes a First Data™ FD50 terminal.

Sales Volume and Statistics (December 2012 through November 2013)

Heritage Oaks Golf Course processed approximately 10,000 credit and debit card transactions for approximately \$439,700. Total transactions from all payment sources during the same time period was approximately \$710,000.

Parks & Recreation processed approximately 4,200 credit and debit card transactions for approximately \$231,700. Total transactions from all payment sources during the same time period was approximately \$423,400.

Rocktown Gift Shoppe processed approximately 600 credit and debit card transactions for approximately \$14,200. Total transactions from all payment sources during the same time period was approximately \$23,600.

- 5.15 Purchase Card Services.** The City also requests a response to provide purchasing credit card services for all City departments. Currently, the City utilizes “floater cards” that are issued to each City department, not to individual employees. Department cards are assigned to individual custodians within each department; however, the department name appears on the card. The department card is used by all authorized individuals in the department. The City currently has approximately 40 card accounts. The Offeror shall describe how a card assigned to a department may be used by more than one employee, including how to handle authorized signatures for purchases, signatures on the back of the card and methods for dealing with vendor inquiries regarding authorized signatures. The Offeror shall also note whether the card’s face area can contain a City specific message such as “\$1,000 limit, tax exempt.” The Offeror may also provide information on alternative methods of using purchase cards. For the twelve (12) month period December 2012 through November 2013, the City processed approximately \$600,000 in credit card purchases. This service is subject to additional negotiation and/or cancellation at any time during the contract term.

6.0 PROPOSAL REQUIREMENTS

The proposal shall provide information necessary for the City to evaluate the qualifications, experience, and expertise of the proposing bank to perform the requested Banking Services. The Offeror shall make a written proposal which presents an understanding of the work to be performed. The proposal should address each requirement contained in the Scope of Services (Section 5.0) and be specific in presenting their qualifications. Proposals should be as thorough and detailed as possible but written clearly and concisely so that the City may properly evaluate the bank's capabilities to provide the required services. The Offeror should include in their proposal the following:

- 6.1** A completed Proposal Cover Sheet which is the first page of this RFP.
- 6.2** Table of contents. All pages are to be numbered.
- 6.3** Cover Letter/Executive Summary on company letterhead signed by a person with the corporate authority to enter into any contract which results from the RFP.
- 6.4** A detailed description of the services to be provided which addresses each requirement contained in the Scope of Services (Section 5.0), including corresponding reports and functionality for each item.
- 6.5** A detailed description of other services and their standard operating procedures that are available in addition to those described in the Scope of Services. Include the cost associated with the set up and ongoing operation of the process.
- 6.6** Provide copies of any supplemental agreements or documents that contain any terms and conditions that will be requested to be incorporated in the overall Agreement (e.g., direct deposit agreement, wire transfer agreement, etc.), including copies of any signature cards that contain terms and conditions. These agreements are an integral part of the resulting contract and will be reviewed by the Department of Finance and the City Attorney.
- 6.7** The Offeror shall provide information or a response to the following inquiries:
 - 6.7.1** The interest rate calculation that would be used for the interest-bearing Concentration Account and the methodology used to calculate monthly interest earnings.
 - 6.7.2** The City currently utilizes a direct billing method for payment of the banking services. The City is open to using a compensating balance arrangement if it is advantageous to do so. The Offeror should provide its specific methodology used for calculating monthly compensating balance requirements. This should include reserve requirements and the earnings credit rate that would be used.

- 6.7.3** Include a list of at least three (3) current clients, preferably governmental banking clients, for whom comparable services are provided. Provide the client name, person to contact, address and telephone number.
- 6.7.4** If applicable, include a list of at least two (2) former clients for whom comparable services have been provided within the past three (3) years. Provide the client's name, person to contact, address and telephone number.
- 6.7.5** Provide copies of reports, statements, invoices or other materials that would be provided to the City such as monthly account statements and account analysis statements.
- 6.7.6** Describe the bank's senior management commitment to providing the services as included in the proposal. Include a biography or resume of the Officer and key staff to be assigned to this account that have experience with governmental banking.
- 6.7.7** Describe the bank's approach to account servicing. How does the bank monitor client satisfaction?
- 6.7.8** Provide a preliminary work plan in the event of transition of services. Describe the transition process.
- 6.7.9** Describe in detail internal controls used to prevent the loss and/or corruption of electronic transaction processing including ACH processing, as well as, fraud and data security controls that are in place.
- 6.7.10** The Offeror shall include its most recent audited financial statements.
- 6.7.11** The Offeror shall include signed copies of any and all addenda to the RFP as set forth in the Instructions to Offerors (Section 2.2) of this RFP.
- 6.7.12** The Offeror shall complete, and include with their proposal, the State Corporation Commission Form (Attachment A).
- 6.7.13** The Offeror shall complete, and include with their proposal, the Proprietary/Confidential Information Identification Form (Attachment B). The Offeror shall identify any proprietary information contained in their proposal. If no proprietary information is included in the proposal, the Offeror shall mark the appropriate box on the form.
- 6.7.14** The Offeror shall complete, and include with their proposal, the Pricing Sheet (Attachment D) with per item costs and extended annual costs.

7.0 PROPOSAL EVALUATION CRITERIA

Selection of the successful proposal will be based upon submission of proposals meeting the selection criteria. The minimum selection criteria will include:

- 7.1** A clearly demonstrated understanding of the services to be performed and the completeness and clarity of the Offeror's proposal for accomplishing the Scope of Services.
- 7.2** Clearly demonstrated capacity and resources of the bank to provide the requested services.
- 7.3** The professional competence and qualifications of the Offeror and staff in providing governmental banking services.
- 7.4** Current and past experience in providing similar governmental banking services.
- 7.5** Cost of services.

As part of the evaluation process, the City may ask questions of a clarifying nature from Offerors as required. The City may also request an oral presentation to explain the proposal and answer questions.

The City reserves the right to cancel this RFP at any time or reject any or all proposals received as a result of this RFP if it is in the best interest of the City.

8.0 CONTRACT AWARD

Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals, on the basis of the factors involved in the request for proposals, including price if so stated in the request for proposal. Negotiations shall then be conducted with each of the Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the City shall select the Offeror which, in its opinion, has made the best proposal, and shall award the contract to that Offeror. Should the City determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that Offeror. Once the selection has been made as to which Offeror will be awarded the contract, the Purchasing Agent will post a Notice of Award on the City's website at www.harrisonburgva.gov/bid-proposal-award-notifications and also on eVA at www.eva.virginia.gov.

The award documentation will subsequently be followed by a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Offeror's proposal as negotiated.

9.0 CONTRACT TERM

The initial term of the contract will be for the three (3) year period from July 1, 2014 through June 30, 2017. At the City's option, the contract may be renewed for up to three (3) additional one (1) year terms. All terms and conditions shall remain in force for the term of the contract and for any renewal period unless modified by mutual agreement of both parties. Cost of services shall not be increased during the initial term of the contract. Comparable services as a result of system upgrades or bank mergers shall not cause an increase in pricing. Cost of services for any renewal periods shall be subject to the mutual agreement of both parties with written justification by the Offeror of any proposed price increases.

10.0 OTHER MATTERS

10.1 Ownership of Materials

Ownership of all data, materials, and documentation originated and prepared for the City pursuant to the RFP shall belong exclusively to the City and be subject to public inspection in accordance with the Virginia Freedom of Information Act.

10.2 Proprietary Information

Trade secrets or proprietary information submitted by an Offeror in connection with this solicitation shall not be subject to disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of this section PRIOR to or upon submission of the data or other materials, and must clearly identify the data or other materials to be protected and state the reasons why protection is necessary. Offerors may not deem the entire proposal proprietary. Attachment B provides a place to identify any proprietary information. If no proprietary information is included in the proposal, the Offeror shall mark the appropriate box on Attachment B and return the document with the submission of proposal materials.

10.3 Record Retention; Audits

The Successful Offeror shall retain, during the performance of the contract and for a period of three (3) years from the completion of the contract, all records pertaining to the Successful Offeror's proposal and any contract awarded pursuant to this Request for Proposal. Such records shall include but not be limited to all paid vouchers including those for out-of-pocket expenses; other reimbursement supported by invoices, including Offeror copies of periodic estimates for partial payment; ledgers, cancelled checks; deposit slips; bank statements; journals; contract amendments and change orders; insurance documents; payroll documents; timesheets; memoranda; and correspondence. Such records shall be available to the City on demand and without advance notice during the Successful Offeror's normal working hours.

City personnel may perform in-progress and post-audits of Offerors records as a result of a contract awarded pursuant to this Request for Proposals. Files would be available on demand and without notice during normal working hours.

11.0 GENERAL TERMS AND CONDITIONS

PURCHASING AND CONTRACTING MANUAL: This solicitation is subject to the provisions of The Purchasing and Contracting Policy Manual for the City of Harrisonburg (City) and any revisions thereto, which are hereby incorporated into this contract in their entirety. A copy of the manual is available for review at www.harrisonburgva.gov/bids-proposals.

APPLICABLE LAWS AND COURTS: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.

ANTI-DISCRIMINATION: By submitting their (bids/proposals), (bidders/offerors) certify to the City that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and 2.2-4311 of the *Virginia Public Procurement Act*.

In every contract over \$10,000 the provisions below apply:

1. During the performance of this contract, the contractor agrees as follows:
 - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.
 - c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

The contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
2. The City does not discriminate against small and minority businesses or faith based organizations.

ETHICS IN PUBLIC CONTRACTING: By submitting their (bids/proposals), (bidders/offerors) certify that their (bids/proposals) are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other (bidder/offeror), supplier, manufacturer or subcontractor in connection with their (bid/proposal), and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their (bids/proposals), (bidders/offerors) certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

DEBARMENT STATUS: By submitting their (bids/proposals), (bidders/offerors) certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

ANTITRUST: By entering into a contract, the contractor conveys, sells, assigns, and transfers to the City all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the City under said contract.

MANDATORY USE OF CITY FORM AND TERMS AND CONDITIONS FOR IFBs AND RFPs

1. **(For Invitation For Bids(ITB):)** Failure to submit a bid on the form provided, (if provided) shall be a cause for rejection of the bid. Modification of or additions to any portion of the Invitation for Bids may be cause for rejection of the bid; however, the City reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a bid as nonresponsive. As a precondition to its acceptance, the City may, in its sole discretion, request that the bidder withdraw or modify nonresponsive portions of a bid which do not affect quality, quantity, price, or delivery. No modification of or addition to the provisions of the contract shall be effective unless reduced to writing and signed by the parties.
2. **(For Request For Proposals(RFP):)** Failure to submit a proposal on the form provided, (if provided) shall be a cause for rejection of the bid. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the City reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.

REVISIONS TO THE OFFICIAL ITB/RFP: No offeror shall modify, revise, edit or make any unauthorized change(s) to the original Official Invitation to Bid (ITB) or Official Request for Proposal (RFP). The Official solicitation document and the Addenda(s) are the documents posted on the City of Harrisonburg's web site and/or authorized by the City of Harrisonburg's Purchasing Agent. Any such violation as stated above may result in rejection of the ITB/RFP response. In addition, violations may result in the debarment of the offeror by the City of Harrisonburg.

CLARIFICATION OF TERMS: If any prospective (bidder/offeror) has questions about the specifications or other solicitation documents, the prospective (bidder/offeror) should contact the person whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.

PAYMENT:

1. To Prime Contractor:

- a. Invoices for items ordered, delivered and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
- b. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
- c. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the contractor at the contract price.
- d. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
- e. Individual contractors shall provide their social security numbers, and proprietors , partnerships, and corporations shall provide the City with a federal employer identification number, prior to receiving any payment from the City.
- f. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve the City of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia, 2.2.4363*).

2. To Subcontractors:

- a. A contractor awarded a contract under this solicitation is hereby obligated:

- (1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the City for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or
 - (2) To notify the City and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.
- b. The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the City, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the City.

PRECEDENCE OF TERMS: General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

QUALIFICATIONS OF (BIDDERS/OFFERORS): The City may make such reasonable investigations as deemed proper and necessary to determine the ability of the (bidder/offeror) to perform the services/furnish the goods and the (bidder/offeror) shall furnish to the City all such information and data for this purpose as may be requested. The City reserves the right to inspect (bidder's/offeror's) physical facilities prior to award to satisfy questions regarding the (bidder's/offeror's) capabilities. The City further reserves the right to reject any (bid/ proposal) if the evidence submitted by, or investigations of, such (bidder/offeror) fails to satisfy the City that such (bidder/offeror) is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

TESTING AND INSPECTION: The City reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the contractor in whole or in part without the written consent of the City.

CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:

1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
2. The Purchasing Agent or City delegated agent may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice

upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the City a credit for any savings.

DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the City, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies, which the City may have.

CANCELLATION OF THE CONTRACT: The City may terminate any agreement resulting from this solicitation at any time, for any reason or for no reason, upon thirty days advance written notice to the Contractor. In the event of such termination the Contractor shall be compensated for services and work performed prior to termination.

TAXES: Sales to the City of Harrisonburg are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. **(NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS)**

USE OF BRAND NAMES: Unless otherwise provided in this solicitation, the name of a certain brand, make or manufacturer does not restrict (bidders/offerors) to the specific brand, make or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article which the public body, in its sole discretion, determines to be the equal of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. The (bidder/offeror) is responsible to clearly and specifically identify the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the City to determine if the product offered meets the requirements of the solicitation. This is required even if offering the exact brand, make or manufacturer specified. Normally in competitive sealed bidding only the information furnished with the bid will be considered in the evaluation. Failure to furnish adequate data for evaluation purposes may result in declaring a bid nonresponsive. Unless the (bidder/offeror) clearly indicates in its (bid/proposal) that the product offered is an “equal” product, such (bid/proposal) will be considered to offer the brand name product referenced in the solicitation. **(NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS)**

TRANSPORTATION AND PACKAGING: By submitting their (bids/proposals), all (bidders/offerors) certify and warrant that the price offered for FOB destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be shipped. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used. All shipping containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity. **(NOT NORMALLY REQUIRED FOR SERVICE CONTRACTS)**

INSURANCE: By signing and submitting a bid or proposal under this solicitation, the bidder or offeror certifies that if awarded the contract, it will have insurance coverages per the solicitation document at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers’ compensation insurance in accordance with 2.2-4332 and 65.2-800 et seq.

of the *Code of Virginia*. The bidder or offeror further certifies that the contractor and any subcontractors will maintain these insurance coverages during the entire term of the contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. **(NOT NORMALLY REQUIRED FOR GOODS CONTRACTS. INSURANCE IS REQUIRED WHEN WORK IS TO BE PERFORMED ON CITY OWNED OR LEASED FACILITIES OR PROPERTY.)**

AVAILABILITY OF FUNDS: Agreements are made subject to the appropriation of funds by the Harrisonburg City Council and are null and void in the event of non-appropriation by the City Council. Non-appropriation of funds shall not be deemed a cancellation and shall terminate this agreement without recourse and with no liability on the part of the City.

SELECTION PROCESS/AWARD: Upon the award or the announcement of the decision to award a contract as a result of this solicitation, the department will publicly post such notice for a minimum of ten (10) days, or will notify all responsive bidders/offerors.

BID/PROPOSAL ACCEPTANCE PERIOD: Any bid/proposal resulting from this solicitation shall be valid for (30) days. At the end of the (30) days the bid/proposal may be withdrawn at the written request of the Bidder/Offeror. If the bid or proposal is not withdrawn at that time it remains in effect until an award is made or the solicitation is canceled.

EXCUSABLE DELAY: The City shall not be in default of any failure in performance of this agreement in accordance with its terms if such failure arises out of causes beyond its reasonable control and without the fault of or negligence of the City. Such causes may include, but are not restricted to acts of God or the public enemy, fires, flood, epidemics, quarantine restrictions, strikes, freight embargoes, and usually severe weather, but in every case the failure to perform must be beyond the reasonable control and without the fault or negligence of the City.

DRUG-FREE WORKPLACE: During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

SAFETY and OSHA STANDARDS: All parties performing services for the City shall comply with all Occupational Safety and Health Administration (OSHA), State Occupational Health Standards, and any other applicable rules and regulations. All parties shall be held responsible for the training, supervision, and safety of their employees. Any unsafe acts or hazardous conditions that may cause injury or damage to any persons or property within and around the work site areas under this contract shall be remedied per the regulatory agency's guidelines.

PERMITS AND FEES: All proposals submitted shall have included in price the cost of any business or professional licenses, permits or fees required by the City of Harrisonburg or the Commonwealth of Virginia. The offeror must have all necessary licenses to perform the services in Virginia and, if practicing as a corporation, be authorized to do business in the Commonwealth of VA.

COOPERATIVE PROCUREMENT: This procurement is being conducted on behalf of other public bodies, in accordance with 2.2-4304 (A) of the Code of VA. The successful bidder has the option to provide these same items (services), except architectural and engineering services, at the same prices, awarded as a result of this solicitation to any public body within the Commonwealth of Virginia. If any other Public body decides to use the final contract, the contractor(s) must deal directly with that public body concerning the placement of orders, issuance of the purchase orders, contractual disputes, invoicing and payment. Failure to extend a contract to any public body will have no effect on consideration of your bid.

STATE CORPORATION COMMISSION IDENTIFICATION NUMBER: Pursuant to Code of VA 2.2-4311.2 subsection B, a bidder or offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its bid or proposal the identification number issued to it by the State Corporation Commission (SCC). Any bidder or offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law is required to include in its bid or proposal a statement describing why the bidder or offeror is not required to be so authorized. Link to the SCC site is <http://www.scc.virginia.gov>.



ATTACHMENT A: STATE CORPORATION COMMISSION FORM

Virginia State Corporation Commission (“SCC”) registration information: The undersigned Offeror:

is a corporation or other business entity with the following SCC identification number:

_____ **-OR-**

is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust **-OR-**

is an out-of-state business entity that does not regularly and continuously maintain as part of its ordinary and customary business any employees, agents, offices, facilities, or inventories in Virginia (not counting any employees or agents in Virginia who merely solicit orders that require acceptance outside Virginia before they become contracts, and not counting any incidental presence of the Offeror in Virginia that is needed in order to assemble, maintain, and repair goods in accordance with the contracts by which such goods were sold and shipped into Virginia from bidder’s out-of-state location) **-OR-**

is an out-of-state business entity that is including with this RFP an opinion of legal counsel which accurately and completely discloses the undersigned Offeror’s current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of §13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia.

****NOTE**** >> Check the following box if you have not completed any of the foregoing options but currently have pending before the SCC an application for authority to transact business in the Commonwealth of Virginia and wish to be considered for a waiver to allow you to submit the SCC identification number after the due date for proposals (the Commonwealth reserves the right to determine in its sole discretion whether to allow such waiver):

Signature: _____ **Date:** _____

Name: _____
(Print)

Title: _____

Name of Firm: _____

**This document must be completed and returned with proposal.*



ATTACHMENT B: PROPRIETARY/CONFIDENTIAL INFORMATION IDENTIFICATION

Name of Firm/Offeror: _____

Trade secrets or proprietary information submitted by an offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the offeror must invoke the protections of §2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected, including the section of the propo in which it is contained, as well as the page number(s), and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute a trade secret or proprietary information. In addition, a summary of proprietary information provided shall be submitted on this form. The designation of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable. If, after being given reasonable time, the offeror refuses to withdraw such a classification designation, the proposal will be rejected.

SECTION/TITLE	PAGE NUMBER(S)	REASON(S) FOR WITHHOLDING FROM DISCLOSURE

Check this box if there are none.

**This document must be completed and returned with proposal.*



ATTACHMENT C: SAMPLE STANDARD CONTRACT RFP

This Contract entered into this ___ day of _____ 20___, by _____ hereinafter called the “Contractor” and City of Harrisonburg, VA, called the “Owner”.

WITNESSETH that the Contractor and the Owner, in consideration of the mutual covenants, promises and agreements herein contained, agree as follows:

SCOPE OF CONTRACT: The Contractor shall provide the goods/services to the Owner as set forth in the Contract Documents.

PERIOD OF PERFORMANCE: From _____ through _____.

The contract documents shall consist of:

- (1) This signed form;
- (2) The entire City of Harrisonburg’s Official Request for Proposal (no revisions by the Contractor) dated: _____
If applicable, any Official City Addenda(s):
#1, dated: _____
- (3) The Contractor’s Proposal dated _____ and the attached negotiated modifications (if applicable) to the Proposal, all of which documents are incorporated herein.

IN WITNESS WHEREOF, the parties have caused this Contract to be duly executed intending to be bound thereby.

CONTRACTOR: _____ CITY OF HARRISONBURG, OWNER:
By: _____ By: _____
Title: _____ Title: _____

ATTACHMENT D – BILLING STATISTICS & PRICING SHEET

This attachment may be found on the City's website at www.harrisonburgva.gov/bids-proposals or on eVA at www.eva.virginia.gov as a separate MS Excel document. Offerors should complete this attachment and return with their proposal submission in the same format.