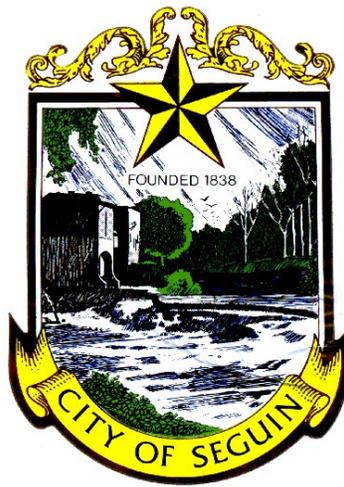


**CITY OF SEGUIN**  
**205 N. RIVER**  
**SEGUIN, TEXAS 78155**



**REQUEST FOR PROPOSALS**  
**AUDIT SERVICES**

**Specification No. TF-2015-34**

**July 2015**

## **INVITATION FOR PROPOSALS**

Sealed proposals addressed to the City Manager of the City of Seguin, Guadalupe County, Texas will be received at the Seguin City Hall, 205 North River, Seguin, Texas, until 2:30 P.M. on July 21, 2015 (CDST), for **AUDIT SERVICES**. Any Proposal received after 2:30 p.m. will be returned unopened. At 3:00 p.m. the name of all Firms submitting a Proposal will be read publicly but no contents of the Proposals will be disclosed. Specifications are available on the City of Seguin website <http://www.seguintexas.gov> or by request made to the City of Seguin Purchasing Department.

Proposals should be submitted to the Office of the City Manager, City of Seguin, 205 N. River, Seguin, Texas 78155, in an envelope no smaller than 8 1/2" x 11" and clearly marked in the lower left hand corner:

### **REQUEST FOR PROPOSALS**

**Audit Services**

**RFP # TF-2015-34**

To be opened at 3:00 p.m., Tuesday, July 21, 2015

The City of Seguin reserves the right to reject any and all Proposals, and to waive informalities. The City Council's decision will be final.

**Douglas G. Faseler, City Manager**  
**CITY OF SEGUIN, TEXAS**

## **SPECIFICATIONS**

### **AUDIT SERVICES**

For Fiscal Year Ended September 30, 2015

#### **I. NATURE OF SERVICES RENDERED**

##### **A. General**

The purpose of this Request for Proposal is to obtain the services of a qualified certified public accounting firm for the annual audit for the fiscal year ending September 30, 2015 (see Section I. D). The audit is to be performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States, the Single Audit Act of 1984, and provisions of OMB Circular A-133 "Audits of State and Local Governments" and GFOA.

Public accounting firms that have performed annual audits for similar entities are encouraged to file a proposal.

##### **B. Scope of Work to be Performed**

The financial statement audit is to determine whether: (1) the financial statements present fairly the financial position, results of operations, and cash flows or changes in financial positions in accordance with generally accepted accounting principles, and (2) whether the City of Seguin has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.

The financial related audit will also include determining whether: (1) financial reports and related items are fairly presented; (2) financial information is presented in accordance with established or stated criteria; and (3) the City has adhered to specific financial compliance requirements. The audit will include tests of the accounting records and procedures of the City of Seguin.

As a part of the audit of the general purpose financial statements, the annual audit will also include obtaining an understanding of the City's internal control structure and reporting any reportable conditions relating to the internal control systems coming to the attention of the auditors. Any material weakness noted during the study and evaluation of the internal accounting and administrative controls will be reported.

The City of Seguin has one component unit, the Seguin Economic Development Corporation. In addition, the City of Seguin is part of the inter-local corporation Schertz-Seguin Local Government Corporation. Please indicate audit fees for the Seguin Economic Development Corporation (SEDC) and the Schertz-Seguin Local Government Corporation (SSLGC). Each organization will be awarding separate contracts.

The City of Seguin has received the Government Finance Officers Association of the United States and Canada's Certificate of Achievement for Excellence in Financial Reporting for fiscal years ended September 30, 2008 through September 30, 2013. We wish to continue submission for this certification. The City, therefore, searches for a firm that actively participates in technically assisting clients that have previously been awarded the certificate.

As part of the audit of the general purpose financial statements, transaction and records pertaining to federal programs will be tested for material compliance with federal laws, rules, and regulations and all instances for noncompliance will be reported to the City Manager.

Good audit judgment and random sampling will be utilized to determine the extent of the tests of documentary evidence supporting the transactions recorded in the accounts. It may include tests of the physical existence of inventories, direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, financial institutions, agencies, and attorneys.

**C. Reports to be issued**

1. The audit will also consist of the auditors preparation and printing of the Comprehensive Annual Financial Statements for the City of Seguin.
2. A report of internal control structure based on the auditors' understanding of the control structure and assessment of control risk (Management letter).
3. A report on compliance and internal control over financial reporting based on an audit of the financial statements, if applicable.
4. A report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133, if applicable.
5. A trend analysis comparing activity of the last five years. (See Appendix A)

**D. Term of the Audit Engagement**

A three (3) year contract is contemplated, subject to annual review, the satisfactory negotiation of terms (including a price acceptable to both the City and the selected firm), and the annual availability of an appropriation.

**E. Working Paper Retention**

All working papers and reports must be retained, at the auditor's expense, for a minimum of three (3) years, unless the firm is notified in writing by the City of Seguin of the need to extend the retention period.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance.

**F. Contract Incorporation**

Proposers should be aware that the contents of the successful proposal would become a part of any subsequent contractual document that may arise from this RFP. Failure of a proposer to accept this condition may result in proposal rejection. The auditor shall, at their own expense, maintain in full force and effect during the term of any subsequent contract and for a minimum of one year following completion of work performed under such contract, professional liability insurance in the amount of \$1,000,000. The required insurance shall be written with a company or companies approved by the Texas Department of Insurance to transact business in the State of Texas. The auditor shall provide the City a certificate or certificates of insurance evidencing the required insurance prior to commencement of work on the project for which the contract is made.

**II. BACKGROUND INFORMATION**

The City of Seguin currently has approximately 340 full-time employees and 69 part-time or seasonal employees with an estimated payroll of \$18,298,963. The total City Budget for 2014-2015 is \$82,317,252 and the City Budget currently has 77 funds. The City owns its own municipal utilities consisting of electric, water and wastewater services. The City will process approximately 6,100 accounts payable checks and 10,150 payroll checks (checks and direct deposit vouchers) in FY2015. The City also has inventory of several types. The physical count takes place the last two weeks of the fiscal year. The largest of these inventories is Electric Inventory with a FY14 balance of \$1,449,616 and Water/Sewer Inventory with a FY14 balance of \$267,289. The City received Federal Grants in the FY2014 and exceeded the limit for single audit requirements. The City is a Home Rule City using a modified accrual basis of accounting. Data from several prior years is available.

### **III. SCHEDULE**

Listed below are key dates, up to and including the date proposals are due, and date notification is made to selected firm:

Due date for proposal	July 21, 2015
Interviews with audit firms	Week of July 27, 2015
Selected firm notified	Week of August 3, 2015

#### **Date Preliminary Work May Commence**

The City will have some records ready for audit and management personnel available to meet with the firm's personnel as of September 1, 2015.

#### **Schedule for 2015 Fiscal Year Audit**

The final audit report must be presented to City Council by the firm no later than the March 1, 2016 City Council meeting. The final report must be given to City personnel no later than February 12, 2016 to be placed in the City Council agenda package. A minimum of sixty (60) reports must be supplied.

### **IV. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION**

#### **A. Finance Department and Clerical Assistance**

The Finance Department staff and responsible management personnel will be available during the audit to assist the firm by providing information, documentation and explanations. The Finance Department will have a trial balance and supporting schedules completed by December 1, 2015 for the auditor's review.

The firm must provide a list of schedules and level of assistance needed by City staff with the proposal.

#### **B. Work Area, Telephones, Photocopying and FAX Machines**

The City will provide the auditor with reasonable workspace, desks and chairs. The auditor will also have access to a telephone, photocopying facilities and a FAX machine.

### **V. PROPOSAL CONTENT**

#### **A. Technical Component:**

To describe clearly the public accounting firm's understanding of the work to be done, the proposal will:

1. Explain the proposer's approaches to performing an annual audit, including the methodology, nature, and extent of audit procedures to be performed.
2. Describe how the approach to performing an annual audit would change year to year since this has the potential to be a multi-year contract.
3. Make a statement concerning the independence of the proposer including direct and indirect financial interest; and the relationship of the proposed audit team to employees of the City and any of the Council Members.
4. Explain the proposer's approach to informing the City staff if the cost of the audit will exceed the estimated highest fee. Include in the explanation when and how this will be relayed to City staff.

**B. Management Component:**

The proposer will furnish satisfactory evidence of capability to provide in a professional and timely manner the services stated in the Request for Proposal. To meet this requirement:

1. Provide the name of the external quality control review organization of which the proposer is a member and the proposer's length of membership. Provide the City with a copy of the latest external quality control review report. Also, state the organization's planned frequency of peer reviews.
2. State whether the firm has received a peer review and whether in the most recent an unqualified report was issued.
3. State whether the proposed is a national, regional or local public accounting firm.
4. Provide evidence that the proposer has experience in performing government audits. List current and past audit clients along with the names and telephone numbers of contact persons and number of years audit services were provided.
5. Provide evidence that the proposer has experience in performing utilities audits. List current and past audit clients along with the names and telephone numbers of contact persons and number of years audit services were provided.
6. Provide evidence that the proposer has experience with clients that have received the Government Finance Officers Association of the United States and Canada's Certificate of Achievement for Excellence in Financial Reporting.
7. State whether the proposed is currently under the terms of a public or private reprimand by the Texas State Board of Public Accountancy and/or licensing boards of other states; or has been the object of any disciplinary action during the past three (3) years.
8. Describe the proposed audit team, in terms of job positions in the firm; your policies on notification of changes in key personnel; whether your firm can provide equally competent personnel to cover in case of loss of availability of one of the key personnel named on the audit team.

9. List names of staff member(s) who will direct the overall audit throughout the duration of the engagement as well as those staff members who will be responsible for planning, directing, and conducting substantial portions of the field work or reporting on this audit engagement. Include the education background of all staff member's named and professional licenses held.
10. Describe continuing professional education in governmental accounting and auditing received by the proposed audit team during the last two years.
11. Provide the names and qualifications of any needed outside specialists and consultants that will assist the proposer's staff members.

**C. Task/Activity Plan:**

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in this RFP. In developing the work plan, reference should be made to such sources of information as City's budget and related materials, organizational charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on their audit approach:

1. The proposer will specify the estimated budgeted hours, timelines, and sequence for audit procedures.
2. Sample size and the extent to which statistical sampling is to be used in the engagement.
3. Extent and use of EDP software in the engagement.
4. Type and extent of analytical procedures to be used in the engagement.
5. Approach to be taken to gain and document an understanding of the City's internal control structure.
6. Approach to be taken in determining laws and regulations that will be subject to audit test work.
7. Approach to be taken in drawing audit samples for purposes of test compliance.
8. Describe the level of assistance that will be expected from City staff and provide a list of schedules to be completed by City staff.

**D. License to Practice in Texas**

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in Texas.

**E. Selection Procedure:**

The City staff will review proposals and a recommendation will be made to the City Council.

## VI. CONDITIONS FOR SUBMISSIONS OF PROPOSAL

All proposals in response to this request must meet the following conditions to be considered.

- A. Proposal must include a cover letter clearly stating the name of the firm and the name, address, and telephone number of the proposer's representative.
- B. Proposal must address each of the audit requirements as stated in this Request for Proposal.
- C. Proposal must include proof of insurance as described in Section I.F. of this proposal.
- D. The City of Seguin reserves the right to reject any and all proposals and to negotiate portions thereof. Proposals that address only part of the requirements contained in the Request for Proposal will not be considered.
- E. The City of Seguin reserves the right to select any proposal, considering the quoted estimated fee and other factors.
- F. The proposer shall furnish such additional information that the City may reasonable require.
- G. The City of Seguin will not be liable for any cost incurred in the preparation of proposals.
- H. The City of Seguin may ask proposer to send a representative for an oral interview prior to Council approval of the proposal. The City Council will not be liable for the cost incurred by the proposer in connection with such interview.
- I. If Proposer takes exception to any provision of the specifications, the exceptions must be specifically and clearly identified, by section, on a separate sheet of paper. Proposer's proposed alternative must also be provided in the proposal.
- J. A Proposer may withdraw a proposal only by a written request received by the Director of Finance prior to the time set for proposal opening. Proposals may not be withdrawn after the time set for proposal opening.
- K. No right or interest in the contract shall be assigned, nor delegation of any obligation made by Vendor without the written permission of the City. Any attempted assignment or delegation by Vendor shall be wholly void and totally ineffective for all purposes unless made in conformity with this paragraph.
- L. Federal, State, Local Laws – Proposer will comply with all federal, State and Local Laws relative to conducting business in the City of Seguin, including but not limited to licensing, labor and health laws. The laws of the State of Texas will govern as to the interpretation, validity and effect of this proposal, its award, and any contract entered into.
- M. Indemnity – The successful proposer agrees, by entering into this contract, to defend, indemnify and hold the City of Seguin harmless from any and all courses of action on claims of damages arising out of or related to proposer's performance under this contract.
- N. Collusion clause – Any evidence of agreement or collusion among bidders and prospective proposer acting to illegally restrain freedom of competition by agreement to bid a fixed price,

or otherwise, will render the proposals of such as void. Advance disclosure of any information to any particular bidder gives that particular bidder any advantage over any other interested bidder, in advance of the opening of bids, whether in response to advertising or an informal request for Proposal, made or permitted by a particular proposal solicitation request will render the proposals of such as void.

- O. The City may make such investigation as is deemed necessary to determine the ability of the Vendor to provide the services as required by this specification and to determine the adequacy of the proposed services. The Vendor shall furnish, upon request and in a timely manner, all such data and information requested for this purpose.
- P. Payment – Payment shall be lump sum upon completion of audit and acceptance by the City Council. Variations to the payment plan will be considered, but in no case shall be over 50% of the contract sum be paid prior to completion and acceptance.

## **VII. EVALUATION PROCEDURES**

Proposal will be evaluated based upon a point formula to score proposals. Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated and scored for both technical qualifications and price. The following represent the principal selection criteria which will be considered during the evaluation process.

- A. Mandatory elements
  - 1. The audit firm is independent and licensed to practice in Texas.
  - 2. The firm has no conflict of interest with regard to any other work performed by the firm for the City.
  - 3. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.
  - 4. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
- B. Technical Quality: (Maximum 50 Points)
  - 1. Expertise and Experience
    - i. The firm's past experience and performance on comparable governmental and utility engagements
    - ii. The quality of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation
  - 2. Audit Approach
    - a. Adequacy of proposed staffing plan for various segments of the engagement

- b. Adequacy of sampling techniques
  - c. Adequacy of analytical procedures
- C. Responsiveness of the Proposal: (Maximum 20 Points)
  - 1. Clear statement and understanding of the work to be performed
  - 2. Acceptance of the terms and conditions of the RFP including all scheduling requirements
  - 3. Completeness and thoroughness of the technical data and documentation
  - 4. Process of informing the City if audit will exceed estimated highest fee.
- D. Commitment to Professional Growth: (Maximum 10 Points)
  - 1. Knowledge of current issues
  - 2. Ability to communicate to the City and assist with changes in regulations.
- E. Price: (Maximum 20 Points)

**COST WILL NOT BE THE PRIMARY FACTOR IN THE SELECTION OF AN AUDIT FIRM**

**VIII. PROCEDURES FOR SUBMITTING PROPOSALS**

Sealed proposals should be addressed to the City Manager's Office, City of Seguin, 205 N. River St., Seguin, Texas 78155. Proposals will be received until 2:30 p.m., Tuesday, July 21, 2015. At 3:00 p.m. the name of all Vendors submitting a Proposal will be read publicly but no contents of the Proposals will be disclosed. Proposals will be evaluated and awarded at a later date. All Proponents must submit an original and one (1) copy of their Proposal, properly signed with a manual signature of an authorized representative of the firm. Proposals shall be submitted in a sealed envelope or package (8 1/2" x 11" minimum) on forms provided herein, along with other information necessary to evaluate the proposal. Sealed envelopes shall be clearly marked as follows:

**REQUEST FOR PROPOSALS**

**Audit Services**

**RFP # TF-2015-34**

To be opened at 3:00 p.m., Tuesday, July 21, 2015

**VI. CONTACT**

Questions regarding this RFP should be directed to:

Susan Caddell, Director of Finance  
[scaddell@seguintexas.gov](mailto:scaddell@seguintexas.gov)  
830.401.2450

## GENERAL CONDITIONS OF BIDDING

These general conditions apply to any procurement of products or services by the City of Seguin. Failure to comply with these General Conditions of Bidding may result in the bid being disqualified.

### 1. DEFINITION OF TERMS

A. "Bid documents" mean the entire packet of documents provided to bidders, including, but not limited to the General Conditions of Bidding, General and/or Technical Specifications, Special and Supplementary Conditions, Information to Bidders, Bid Form(s) and any Addendum.

B. "Bidder" means a person or firm submitting a bid, proposal, or quote to provide equipment, material, and/or services necessary in the performance of these specifications, and competing for award of a contract.

C. "Bid" or "Proposal" means an offer to perform or provide the requirements specified herein. "Furnish" or "provide" means to supply, equip, and deliver the specified equipment, material and/or services to the Purchaser.

D. "Formal Bid" is a formally advertised solicitation for acquiring goods, services, and construction that requires a public opening of sealed bids or proposals, generally \$50,000 or more.

E. "Informal Bid" is a competitive bid or price quotation for supplies or services under \$50,000 that is conveyed by letter, telephone, or other means and does not require a sealed bid, public opening, or public reading of bids.

F. "City", "Purchaser", or "Owner" shall refer to the City of Seguin, PO Box 591, Seguin, Texas 78156-0591.

G. "Contract" means the contract awarded pursuant to this solicitation.

H. "Contractor" or "Vendor" means the bidder to which a contract award has been made by the City.

I. "Purchase Order" means the document issued by the City that creates a legal binding contract between the City and the Contractor and authorizes the Contractor to ship goods pursuant to the contract.

### 2. SUBMISSION OF BIDS

A. All bids must be on blank forms furnished by the Purchasing Department and must be written in ink or typed. Pencil quotations will not be considered. Proposals must be submitted on the forms or in the format called for in specifications. Each must be executed personally by the bidder, or if executed by an agent, a power of attorney or other evidence of his authority to act on behalf of the bidder must accompany the bid. If the bidder is a corporation, the certificate of corporate bidder must be executed under the corporate seal by some duly authorized officer of the corporation other than the officers signing the bid. By execution of the bid, the bidder accepts all general and special conditions of the contract and the specifications.

B. **Formal** sealed bids and proposals must be received at the date, time, and place specified in the bid document packaged in a sealed envelope (8 1/2" x 11" minimum) clearly marked with the bid or project

name, bid number, and date/time of opening, unless otherwise specified. An early postmark will not suffice. Bids and proposals will be publicly opened and read followed by evaluation and award at a later date. **Formal bids and proposals (\$50,000 or higher) may NOT be faxed or submitted via e-mail.**

**C.** Informal bids are due at the date, time, and place stated in the bid document. **Informal bids (less than \$50,000) may be faxed or submitted via e-mail.**

**D.** Each Bidder agrees that its price will remain firm and subject to acceptance by the City for a period of sixty (60) calendar days from the bid opening date. The prices quoted in the bid shall not be subject to escalation except where otherwise clearly indicated by the Bidder or by the City in bid documents. The basis for the escalation shall be clearly indicated in either case.

**E.** All information required by the bid documents will be furnished. The bidder will print or type its name, in ink, and manually sign the bid sheet. The bid sheet, with original signatures, must be submitted.

**F.** All prices shall be quoted as required in the specifications. Unit prices will be shown when called for on the bid sheet, and where there is a conflict between the unit price show and the total price shown, the unit price will govern.

**G.** No change in price will be considered after bids have been opened. The City reserves the right to negotiate prices as submitted by proposal as allowed by state statute.

**H.** In case of ambiguity or lack of clarity in stating prices in the bid, Purchaser reserves the right to adopt the price written in words or reject the bid. Any ambiguity in the bid as a result of omission, error, unintelligible or illegible wording shall be construed in the favor of the City.

**I.** If this bid is altered, any erasure or alteration of figures on the item on which the erasure or alteration is made must be initialed by signee of this bid.

**J.** The City reserves the right to extend the bid closing time and date. Notification will be made by addendum.

**K.** The City reserves the right to increase or decrease the quantity specified, unless the bidder specified otherwise.

### **3. WITHDRAWAL OF BIDS**

**A.** A Bidder may withdraw a bid before Council acceptance of the bid without prejudice to himself by a written request addressed to the Purchasing Manager.

**B.** If there is an honest mistake in the bid, due to clerical errors, and the bidder calls attention thereto promptly, the bidder will not be bound by the bid.

**C.** When the mistake was a result of a bidder's negligence, and City has no knowledge of the mistake when bids were opened, and awarded a contract based on the bid, bidder will not be released and shall be bound by the bid.

**D.** If a mistake is not discoverable and verifiable by the City, bidder's incorrect interpretation of Engineering specifications set forth in a construction contract will not release him from his obligations, once a contract has been awarded by City Council and bidder has received notice of such award.

#### **4. GENERAL CONDITIONS**

Bidders will submit their bids or proposals upon the following express conditions:

- A.** Bidders shall thoroughly examine all drawings, specifications, plans, schedules, instructions, and all other contract documents pertaining to this bid.
- B.** Bidders shall make all investigations necessary to thoroughly inform themselves regarding plant and facilities for delivery of materials or equipment as required by the bid conditions. No plea of ignorance by the Bidder of conditions that exist or that may hereafter exist as a result of failure or omission on the part of the Bidder to make the necessary examinations and investigations will be accepted as a basis for varying the requirements of the City or the compensation to the vendor.
- C.** If any bidder is in doubt as to the true meaning of the specifications, other bid documents, or any part thereof, they may submit a written request for clarification to the Purchasing Manager. A request for clarification should be submitted by the deadline, if any, indicated in the specifications.
- D.** All materials, equipment, supplies which are new, non-standard to the City of Seguin, and/or items which are to be listed as an alternate or exception must be pre-approved PRIOR to placing them on a bid proposal. In order to fairly evaluate all bids, sufficient time requirements for possible field testing or demonstrations should be allowed.
- E.** Bidders are advised that City contracts are subject to all legal requirements under Local, State and Federal statutes, ordinances, and regulations. Any bid, after being opened, becomes subject to the Public Information Act, Government Code Chapter 552; therefore bidders must clearly indicate any portion of the submitted bid that the bidder claims is not subject to public inspection under the Public Information Act.
- F.** No officer or employee of the City shall have a financial interest, direct or indirect, in any contract with the City, or shall benefit financially, directly or indirectly, in the sale to the City of any materials, supplies or services, except on behalf of the City as an officer or employee.
- G.** The City of Seguin is committed to maintaining fair and open competition as required by local, state, and federal laws and statutes. Every effort is made to maintain the highest level of ethical conduct in every aspect of the procurement process. Sharp business practices or high-pressure tactics will not be tolerated. Qualification and selection of vendors is based on those vendors who share the same high standards of ethical conduct.

#### **5. DESCRIPTION OF GOODS**

- A.** Any catalog or manufacturer's reference in this bid is merely descriptive, and not restrictive, unless otherwise noted, and is used only to indicate type and quality of material. Any such references are made a part of these contract documents as if incorporated verbatim herein.
- B.** The term "Or Equal", if used, is intended to allow substitution of a brand which has all the essential performance, features, reliability, and other salient characteristics as the brand name and model stated in the item description. "Or Equal" is intended to establish a level of quality and function and is not to be interpreted as a preference for a particular brand. Other brands meeting these minimum requirements will be accepted. Bid submitted on an "Or Equal" item must clearly identify the proposed product, the quantity of the product, model, and type, as applicable.

C. Alternate bids will not be considered unless expressly authorized by the bid documents.

## **6. PREPARATION OF BID**

Bidders will prepare bids in accordance with the following:

A. Specifications are written to encourage competition. The specifications herein shall be the basis of comparison between bidders. There is no intent to discriminate against any supplier or vendor but rather, to set a definite standard of performance. Bidders are required to quote services and/or equipment that will meet or exceed the minimum or maximum specifications herein.

B. Any omission in the specifications of any minor requirement necessary to make each unit complete and functional shall not relieve the Supplier of responsibility to furnish any material or equipment necessary.

C. The City reserves the right to request clarification to assist in evaluating the bidder's response when the bid response is unclear with respect to product pricing, packaging or other factors. The information provided is not intended to change the bid response in any fashion and such information must be provided within two days from request.

D. Bidders shall not include federal taxes nor State of Texas limited sales, excise and use taxes in bid prices since the City of Seguin is exempt from payment of such taxes under section 151.309 of the Texas Tax Code.

E. By submitting a bid, each bidder certifies that it is a duly qualified, capable, and bondable business entity, that it is not in or contemplating bankruptcy or receivership and that it is not currently delinquent with respect to payment of taxes assessed by any political subdivision.

F. By submitting a bid, each bidder certifies that it does not currently owe any money to the City.

G. The City is exempt from the Federal Excise and Transportation Tax, and the Limited Sales and Use Tax. Unless the bid form or specification specifically indicates otherwise, the price bid must be net exclusive of the above mentioned taxes, and will be so construed.

H. Prompt payment discounts will not be considered in determining low bids and making awards.

## **7. BID DEPOSIT**

No bid deposit will be expected of bidder UNLESS specifications expressly provide otherwise. If a bid bond is required, the submitted bond may be in the form of a cashier's check, cash, a certified check made payable to the City of Seguin or an original bond submitted in the form required by the City in the Bid Documents. The bond shall be executed by a surety authorized by the Texas State Insurance Commission and must be signed by both the surety and the bidder. Should a bid deposit be presented in a form not acceptable to the City, the bid will not be considered.

## **8. EXCEPTIONS**

If Bidder takes exceptions to any provisions of the specifications, the exceptions must be specifically and clearly identified by section in Bidder's bid, and Bidder's proposed alternative must also be provided in the bid. Bidders cannot take a 'blanket exception' to the entire bid document.

## **9. ADDENDA**

Any clarification or interpretation of the bid, if made, will be made only by written addendum issued through the Purchasing Department and signed by the City of Seguin Purchasing Manager. A copy of such Addendum will be mailed or delivered to each person receiving bids. Addenda to the bid documents may be issued in response to a request for clarification or objection, or for any other reason the City considers advisable. Once issued, an addendum becomes a part of the bid documents. All addenda can be viewed and downloaded at the City's website: [www.seguintexas.gov](http://www.seguintexas.gov). It is the bidder's responsibility to check this site to determine if the City has issued any addenda. The City will not be responsible for any other explanation or interpretation of the bid made or given prior to the award of the contract.

## **10. REJECTION OF BIDS**

**A.** The City of Seguin reserves the right to accept or reject any or all bids, and to waive any informalities and technicalities. The City of Seguin shall consider all factors it believes to be relevant in selecting the offer that provides the best value for the City including, but not limited to, the offered price. Causes for bidder disqualification and rejection of bids may include, but shall not be limited to:

- 1.** Bidder's current inability to satisfactorily perform the work or service, or the bidder's previous failure to properly and timely perform its obligations under a contract with the City. Purchaser may make such investigation as is deemed necessary to determine the ability of the Bidder to provide the equipment, material, and/or services as required by this specification and to determine the adequacy of the proposed equipment, material, and/or services. The Bidder shall furnish, upon request, all such data and information requested for this purpose. The information provided is not intended to change the bid response in any fashion and such information must be provided within **two** days from request.
- 2.** Bidder's current violation of any City ordinance.
- 3.** Bidder's misstatement or concealment of any material fact in the bid.
- 4.** Bid or proposal's nonconformance to law or the requirements of the bid specifications.
- 5.** Failure to use or properly complete the bid/proposal form furnished by the City of Seguin.
- 6.** Lack of signature by an authorized representative on the proposal form.
- 7.** Alteration of bid form.
- 8.** Evidence of collusion among proposers.
- 9.** Omission of proposal guarantee (if required).
- 10.** In the event that a bidder is, or subsequently becomes, delinquent in the payment of his, her or its City taxes, including state and local sales taxes, or any other City financial obligation, such fact shall constitute grounds for rejection of the bid, or if awarded the bid, for cancellation of the contract.

## **11. AWARD**

**A.** The City reserves the right to award a bid or contract to the lowest responsible bidder or to the bidder who provides goods or services at the "best value" for the City. Factors to be considered in the evaluation of the bids are price, quality, reputation and experience of Bidder, past relationship with City, long term cost, safety record, operating history of equipment, conformance to specifications, delivery, and other factors as deemed appropriate by the Purchaser.

**B.** The City reserves the right to reject or accept all or any combination of bids deemed advantageous to the City.

**C.** The City reserves the right to reject or accept all or any combination of base bid plus alternative bids when alternate bids are called for in bid documents, subject to available funding.

D. Contractor is an independent contractor. Award of a contract does not create a joint venture between the Contractor and the City.

## 12. CONTRACT

A. City's Bid Documents combined with the Vendor's response (bid or proposal) submitted to and accepted by the City, constitutes a contract between the City of Seguin and the selected vendor at the time the Seguin City Council awards the contract to such vendor.

B. No further documentation is required, although the contracting parties may supplement the contract with further documentation. By submitting a bid or proposal, the vendor agrees to comply with the Terms and Conditions and other requirements set forth in the Bid Documents and to be further bound to the representations and information the vendor provides in the response.

C. Acceptance of bidder's offer may be in the form of a "Notice of Award", a Purchase Order (P.O.) or a "Contract".

## 13. RESERVATIONS

THE CITY EXPRESSLY RESERVES THE RIGHT TO ACCEPT, REJECT OR CANCEL ANY AND ALL BIDS and:

A. Waive any defect, irregularity, or informality in any bid or bidding procedure;

B. Reissue a bid invitation or proposal;

C. Procure any item by other allowable means;

D. Waive minor deviations from the specifications when a bid meets the intent of the specifications and consider such bid if it is determined the bid's total cost is lower, the purpose for the bid is improved or not impaired, the bid amounts to the best value for the City, and/or the waiver otherwise results in a measurable benefit on behalf of the City.

E. Extend any contract when most advantageous to the City as provided by original contract conditions.

## 14. WARRANTIES

**A. WARRANTY FOR PRODUCT:** The Contractor warrants to the City that all goods delivered will conform to the specifications, drawings, or other descriptions furnished or incorporated by reference, will be of merchantable quality, good workmanship, free from defects, and fit for all purposes specified in this contract. The Contractor shall not Limit or exclude any implied warranties, and any attempt to do so shall render this contract voidable at the option of the City. The Contractor will provide copies of applicable warranties or guarantees to the Purchasing Manager. The City may return goods not meeting applicable warranties to the Contractor at the Contractor's expense.

**B. WARRANTY FOR PRICE:** The City will pay the price for goods specified by the Contractor's bid. The Contractor warrants its price to be no higher than the Contractor's current prices or charges on orders by others for products or services of the kind and specification covered by this bid contract for similar quantities under similar or like conditions and methods of purchase. In the event Contractor breaches this warranty, the prices or charges shall be reduced to Contractor's current prices or charges on orders by others, or in the alternative, City may cancel this contract without liability to Contractor for breach or Contractor's actual expense.

**C. SAFETY WARRANTY:** Contractor warrants that the goods sold to the City conform to the standards promulgated by the U.S. Department of Labor under the Occupational Safety and Health Act (OSHA) as amended. In the event the goods do not so conform, the Contractor must correct or replace the goods at the Contractor's expense. If the Contractor fails to do so within a reasonable time, the City, at its discretion, may cause the correction to be made at the Contractor's expense, or may return the goods at the Contractor's expense and terminate this contract.

## **15. PROTESTS**

**A.** The City Council is the final authority on issues relating to this contract. The Purchasing Manager is the City's representative in the award and administration of this contract, and will issue and receive all documents, notices, and correspondence.

**B.** Any protest to the City's consideration of any bid must be submitted in writing and delivered to the City of Seguin, ATTN: Purchasing Manager.

**C.** The protest may be delivered in person to the Purchasing office located at 816 Fred Byrd Drive, Seguin, Texas, or by certified mail, return receipt requested, to the following address: City of Seguin, Purchasing Department, ATTN: Purchasing Manager, PO Box 591, Seguin, Texas 78156-0591.

**D.** The written protest must include the following information before it may be considered by the City:

- 1.** Name, mailing address, and business phone number of the protesting party;
- 2.** Identification of the bid or proposal being protested;
- 3.** A precise and concise statement of the reason/reasons for the protest which should provide enough factual information to enable the City to determine the basis of the protest;
- 4.** Any documentation or other evidence supporting the protest.

**E.** The Purchasing Department, in conjunction with the department responsible for the bid or proposal solicitation, will attempt to resolve the protest, including, at the City's option, meeting with the protesting party. If the protest is successfully resolved by mutual agreement, written verification of the resolution of each ground addressed in the protest will be provided to the City Manager. If the Purchasing Department is unable to resolve the protest, the protesting party may request the protest be reviewed and resolved by the City Manager.

**F.** A request for the City Manager's review must be in writing and received by the Purchasing Department within three (3) business days from the date the Purchasing Department informs the protesting party the protest cannot be resolved. The request for review must be delivered in person to the Purchasing Department at the address stated above or by certified mail, return receipt requested, to the mailing address stated above. If the protesting party fails or refuses to request a review by the City Manager within the three (3) days, the protest is deemed finalized and no further review by the City is required. Applicable documentation and other information applying to the protest may be submitted by the protesting party to the Purchasing Department before review by the City Manager. If the protesting party requests a review by the City Manager, such documentation will be forwarded to the City Manager for consideration. The City Manager may likewise notify the protesting party or any City department to provide additional information.

**G.** The decision reached by the City Manager will be final, but the protesting party may still appear before the City Council during the hearing of citizens' session.

## **16. SHIPMENT & DELIVERY**

- A.** Bidder is to quote its lowest and best price F.O.B. Destination on each item to shipping location in Seguin, Texas unless otherwise specified in the bid documents. Pricing shall include packaging, transportation, unloading, and any trade and cash discounts, which may be taken if earned.
- B.** The bidder certifies all materials, parts, and equipment supplied or represented in response to this bid shall be new and unused unless noted elsewhere in the bid documents.
- C.** The title and risk of loss of the goods will not pass to the City until receipt and acceptance takes place at the FOB point. The City department receiving deliveries or issuing purchase orders under this contract will inspect and accept any and all deliveries made and may reject those items which are damaged or which do not conform to the specifications. The Contractor is responsible for the proper labeling, packing, and delivery to final destination, including replacement of rejected deliveries at no additional cost.
- D.** Delivery dates pertaining to this specification must be clearly stated in the bid form where required. The bidder will clearly state in the bid the time required for delivery upon receipt of contract or purchase order. Failure to specify delivery date or state unrealistically short or long delivery dates may cause the bid to be disqualified. Proposed delivery time must be specific and such phrases “as required”, “as soon as possible”, or “prompt” may result in disqualification of the bid.
- E.** Vendor must keep the City advised as to the status of the delivery. When delivery delay can be foreseen, the Vendor shall give prior notice to the City.
- F.** Default in promised delivery, without acceptable reasons, or failure to meet specifications without remedy shall cause the City to purchase the goods elsewhere, and charge any increase in cost and handling to the defaulting vendor. This does not limit any other remedies to the City for damage entitled under the Uniform Commercial Code.

## **17. REJECTIONS**

- A.** Delivered articles not in accordance with samples and specifications must be removed by the bidder at his expense. All disputes concerning quality of supplies delivered under this proposal will be determined by the City’s Purchasing Manager or his/her designated representative.
- B.** All articles enumerated in the proposal shall be subject to inspection or delivery by an officer designated for the purpose and if found inferior to the quality called for, or not equal in value to the department’s samples, or deficient in weight, measurements, workmanship or otherwise, this fact shall be reported to the Purchasing Manager who shall have the right to reject the whole or any part of the same.

## **18. PAYMENTS**

- A.** Payment of invoices by the City shall be made thirty (30) days after receipt and acceptance of all equipment or performance of services covered by each purchase order or following the receipt of an accurate invoice, whichever is later, in compliance with state statute. Bidder shall state his bid in accordance with the standard payment terms and conditions of the City of Seguin of Net 30 days. All bids must be stated in terms of dollars and cents, the bidder’s lowest, best, and final price.
- B.** Invoices submitted or otherwise used pursuant to the bid awarded under this IFB shall be presented to the City in the following form and content:

1. Each invoice must reference the City of Seguin contract, agreement, or P.O. number;
2. Only one contract, agreement, or project shall be billed on a particular invoice;
3. Each invoice must have a billing or invoice number and an Invoice Total.

C. The invoice requirements stated herein shall not be read to disallow or exclude other information that may be otherwise required or requested by the City. Such information required herein must be submitted only on an invoice and not in any other non-invoice form or document.

#### **19. ASSIGNMENT**

No right or interest in the contract shall be assigned, nor delegation of any obligation made by Vendor without the written permission of the City. Any attempted assignment or delegation by Vendor shall be wholly void and totally ineffective for all purposes unless made in conformity with this paragraph.

#### **20. WAIVER**

No claim or right arising out of a breach of this contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party.

#### **21. FORCE MAJEURE**

In the event that the performance by either party of any of its obligations under this contract is interrupted or delayed by events outside of their control such as acts of God, war, riot, or civil commotion, then the party is excused from such performance for the period of time reasonably necessary to remedy the effects of the events.

#### **22. GRATUITIES**

The City may, by written notice to the Vendor, cancel this contract without liability to the City if it is determined by the City that gratuities have been offered to any officer or employee of the City with a view toward securing a contract, securing favorable treatment with respect to the awarding, amending, or the making of any determinations in respect to the performance of such a contract. In the event City, as set forth in this paragraph, cancels this contract the City shall be entitled to recover from the Vendor all additional costs incurred by City as a result of the cancellation.

#### **23. TERMINATION**

**A. DEFAULT:** Failure by either party to perform any of its provisions will constitute a default and breach of contract, in which case, the other party may require corrective action within 10 days from the date the defaulting party receives written notice citing the nature of the breach. Failure of the defaulting party to take corrective action or to provide a satisfactory written reply excusing such failure within the prescribed 10 days will authorize the other party to terminate this agreement by written notice.

**B. CONVENIENCE:** The City reserves the right to terminate this contract upon 30 days written notice for any reason deemed by the City Council to serve the public interest. Termination for convenience will not be made when termination is authorized under any other provisions of this contract. In the event of such termination the City will pay the Contractor those costs directly attributable to supplies obtained in compliance with the contract prior to termination. Provided, however, that no costs will be paid to the Contractor which are recoverable in the normal course of doing business. The City is not liable for loss of any profits anticipated to be made hereunder.

**C. FUNDING:** The City retains the right to terminate this contract at the expiration of each of City's budget periods. This contract is conditioned on a best efforts attempt by City to obtain and appropriate funds for payment of any debt due by City herein.

**D. FUNDING OUT:** The State of Texas statutes prohibit the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved. Should, during the term of this contract, funds be withdrawn by the funding authority, a Force Majeur shall be deemed to exist, and this contract may be terminated without penalty or recourse by either party.

**24. ENTIRETY OF AGREEMENT/AMENDMENTS**

This represents the entire agreement between the parties relating to the subject matter of this contract. Any prior agreements, promises, negotiations, or representations between the parties are not binding unless included in this contract. All amendments to this contract must be in writing and executed by both parties.

**25. SEVERABILITY**

In case any one or more of the provisions contained in this contract is held to be invalid or unenforceable in any respect by a court of proper jurisdiction, the invalidity, illegality or unenforceability will not affect any other provision of this contract, and this contract will be construed as if the invalid or unenforceable provision was not contained herein.

**26. INSURANCE**

If required, specific insurance provisions will be included in bid specifications. An original, certified copy of an insurance certificate must be submitted within ten days from request. The successful vendor will be required to maintain, at all times during performance of the contract, the insurance detailed in bid specifications. Failure to provide this document may result in disqualification of bid.

**27. INDEMNITY**

The Vendor will indemnify, hold harmless and defend the City and its employees, agents, officers and servants from any and all lawsuits, claims, demands and causes of action of any kind arising from the negligent or intentional acts errors or omissions of the Vendor, its officers, employees or agents. This will include, but not be limited to, the amounts of judgments, penalties, interest, court costs, reasonable legal fees, and all other expenses incurred by the City arising in favor of any party, including the amounts of any damages or awards resulting from claims demands and causes of action for personal injuries, death or damages to property alleged or actual infringement of patents, copyrights, and trademarks and without limitation by enumeration, all other claims, demands, or causes of action of every character occurring, resulting, or arising from any negligent or intentional wrongful act, error or omission of the Vendor or its agents or employees. This obligation by the Vendor will not be limited by reason of the specification of any particular insurance coverage required under this Agreement.

**28. PATENTS**

The bidder agrees to indemnify and save harmless the City, the Purchasing Manager, and his/her assistants from all suits and actions of every nature and description brought against it or any of them, for or on account of the use of patented appliances, products or processes, and he shall pay all royalties and charges which are legal and equitable. Evidence of such payment or satisfaction shall be submitted, upon request of the Purchasing Manager, as a necessary requirement in connection with the final estimate for payment in which such patented appliances, products or processes are used.

## **29. CONFIDENTIALITY**

The City of Seguin is governed by the Public Information Act (“The Act”), Chapter 552 of the Texas Government Code. All information submitted by prospective bidders during the bidding process is subject to release under The Act. On each page where proprietary information appears, information considered confidential must be labeled. Failure to so label the proprietary or confidential information shall be considered as a waiver of any confidentiality rights or interests. Disclosure of requested information will be determined in accordance with the Texas Public Information Act. You are not encouraged to submit such data and information unless it is absolutely required to understand and evaluate your response. If such data and information is submitted, you agree that the City shall not be liable for disclosure of such data and information and hereby release the City from any liability. In the event a request for public information is filed with the City which involves information labeled as confidential, you will be notified by the City of the request so that you will have an opportunity to contact the Attorney General as to why such information should not be released.

## **30. ANTI-LOBBYING PROVISION**

Bidders are prohibited from directly or indirectly communicating with City Council members regarding the Bidder’s qualifications or any other matter related to the eventual award of a contract for the services requested under this Invitation for Bids. Bidders are prohibited from contacting City staff members regarding their qualifications or the award of a contract, unless in response to an inquiry from a staff member. Any violation will result in immediate disqualification of the Bidder from the selection process.

Upon issuance of the Invitation for Bids, all bidder communications and requests for clarification or objections shall be directed in writing to the Purchasing Manager for response, determination and dissemination to all bidders. Any communication by bidders or their representatives toward other city officers or employees regarding this Invitation for Bids or the award of a contract are prohibited and will constitute grounds for disqualification of a proponent. A lobbyist or a proponent or any of their agents may not do any act or refrain from any act for the express purpose and intent of placing any City official under personal obligation to the lobbyist or proponent.

## **31. CONFLICT OF INTEREST**

A person or vendor seeking to contract with the City must file a Conflict of Interest Questionnaire (CIQ) if the person has a business relationship with the City, and either: has a business relationship with a city official or a city official’s family member; or has given a gift worth more than \$250 to a city official or city official’s family member within the previous 12-month period. A vendor required to file a CIQ must do so with the City Secretary within seven business days of: (1) beginning contract discussions with the city; (2) submitting to the City an application, response to a request for proposals or bid; or (3) learning of the existence of the applicable business relationship. Vendors should see Texas Local Government Code Chapter 176 in an effort to determine its applicability. The conflict of interest questionnaire form is included herein and is available from the Texas Ethics Commission at [www.ethics.state.tx.us](http://www.ethics.state.tx.us).

## **32. LOCAL VENDOR PREFERENCE POLICY**

Texas Local Government Code, Sections 271.905(a) and 271.9051 allow the City to consider a vendor’s principal place of business in awarding certain contracts by way of competitive bids. This consideration is in effect to promote economic development opportunities through the contract by employing local residents and increasing tax revenue. The City of Seguin applies a local vendor preference to bids in compliance with state statute.

**33. NOTICES**

All notices called for or required by this agreement will be addressed to Purchasing Manager, City of Seguin, 205 N. River Street, Seguin, Texas 78155, or such other party or address as either party designates in writing, by certified mail, postage pre-paid, or by hand delivery, and will be effective five days after mailing.

**34. QUESTIONS**

Questions regarding interpretation of specifications, bids, bid results or bid awards should be directed in writing to the Buyer or Purchasing Technician indicated in the General and/or Technical Specifications, or the Purchasing Manager, [twood@seguintexas.gov](mailto:twood@seguintexas.gov) and be referenced by bid number.

**BIDDER'S PROPOSAL**

**Audit Services  
For Fiscal Year Ended September 30, 2015**

State below the not to exceed fee for the annual audit for the fiscal years ending:

YEAR	CITY	SEDC	SSLGC	TOTAL
2015	\$	\$	\$	\$
2016	\$	\$	\$	\$
2017	\$	\$	\$	\$

State below IN WORDS the not to exceed fee for the annual audit for the fiscal years ending:

**Year 2015**

City \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

SEDC \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

SSLGC \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

**Year 2016**

City \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

SEDC \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

SSLGC \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

**Year 2017**

City \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

SEDC \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

SSLGC \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

State the hourly rate of services performed outside of the annual audit engagement:

\$ \_\_\_\_\_

Hourly rate in the sum of (words) \_\_\_\_\_ Dollars, and \_\_\_\_\_ cents

THE UNDERSIGNED AFFIRMS THAT IT IS DULY AUTHORIZED TO SUBMIT THIS PROPOSAL, THAT THIS PROPOSAL HAS NOT BEEN PREPARED IN COLLUSION WITH ANY OTHER PROPONENT, AND THAT THE CONTENT OF THIS PROPOSAL HAS NOT BEEN COMMUNICATED TO ANY OTHER PROPONENT PRIOR TO THE OFFICIAL OPENING OF THIS PROPOSAL. THE CONTRACT WILL BE AWARDED TO THE PROPONENT WHOSE PROPOSAL IS DETERMINED TO BE THE MOST ADVANTAGEOUS TO THE CITY, CONSIDERING PRICE AND OTHER EVALUATION FACTORS. THE CITY OF SEGUIN RESERVES THE RIGHT TO REJECT ANY AND ALL PROPOSALS AND TO WAIVE ANY TECHNICALITIES FOR THE BEST INTEREST OF THE CITY.

The Undersigned agrees, if this RFP is accepted, to furnish any and all items upon which prices are offered at the prices and upon the terms and conditions contained in the specifications.

This document will be incorporated into a formal agreement between the City of Seguin and the selected vendor.

**Firm name/address and phone number**

\_\_\_\_\_ Signature \_\_\_\_\_

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

\_\_\_\_\_ Date \_\_\_\_\_

Phone No. \_\_\_\_\_ Fax No. \_\_\_\_\_

Email address \_\_\_\_\_

BIDDERS SHALL LIST ANY AND ALL EXCEPTIONS.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(attach additional sheet if needed)

# CONFLICT OF INTEREST QUESTIONNAIRE

# FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

## OFFICE USE ONLY

Date Received

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

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

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

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

\_\_\_\_\_  
Name of Officer

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

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

Yes       No

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

Yes       No

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

Yes       No

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

**4**

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

\_\_\_\_\_  
Date

# ATTACHMENT A

(Revised 2/18/14)

## INSURANCE

**SECTION A.** Prior to the approval of this contract by the City, CONTRACTOR shall furnish a completed Insurance Certificate to the Purchasing office. The certificate shall be completed by an agent authorized to bind the named underwriter(s) to the coverages, limits, and termination provisions shown thereon, and shall furnish and contain all required information referenced or indicated thereon. CITY SHALL HAVE NO DUTY TO PAY OR PERFORM UNDER THIS CONTRACT UNTIL SUCH CERTIFICATE IS RECEIVED BY THE CITY OF SEGUIN'S PURCHASING DEPARTMENT, and no officer or employee of the City shall have authority to waive this requirement.

### INSURANCE COVERAGE REQUIRED

**SECTION B.** CITY reserves the right to review the insurance requirements of this section during the effective period of the contract and to adjust insurance coverages and their limits when deemed necessary and prudent by CITY, based upon changes in statutory law, court decisions, or the claims history of the industry as well as the CONTRACTOR.

**SECTION C.** Subject to CONTRACTOR'S right to maintain reasonable deductibles in such amounts as are approved by CITY, CONTRACTOR shall obtain and maintain in full force and effect for the duration of this contract, and any extension hereof, at CONTRACTOR'S sole expense, insurance coverage written by companies approved by the State of Texas and acceptable to CITY, in the following type(s) and amount(s):

#### TYPE

#### AMOUNT

- |    |   |           |
|----|---|-----------|
| 1. | <b>Workers' Compensation and Employer's Liability</b> | Statutory |
|----|---|-----------|

**NOTE: For building or construction projects, and services provided at City-owned facilities, the successful Contractor shall meet the minimum requirements defined in the Texas Workers' Compensation Commission Rule 28 TAC §110.110 which follows this insurance attachment.**

- |    |   |  |
|----|---|--|
| 2. | <b>Commercial General (public) Liability</b><br>including coverage for the following: |  |
|----|---|--|

- |    |  |   |
|----|--|---|
| a. | Premises operations  | Combined single limit for bodily injury and property damage of \$500,000 per occurrence or its equivalent with an aggregate limit of \$1,000,000. |
| b. | Independent contractors                                    |   |
| c. | Products/completed operations                              |   |
| d. | Personal injury  |   |
| e. | Advertising injury   |   |
| f. | Contractual liability                                      |   |
| g. | Medical payments   |   |
| h. | <b>Professional liability</b>                              |   |
| i. | Underground hazard*  |   |
| j. | Explosion and collapse hazard*                             |   |
| k. | Liquor liability*  |   |
| l. | Fire legal liability*                                      |   |
| m. | City's property in Contractor's* care, custody, or control |   |
| n. | Asbestos specific liability*                               |   |

\* **Not required for this contract**

- |    |  |  |
|----|--|--|
| 3. | <b>Comprehensive Automobile Liability</b><br>insurance, including coverage for loading and unloading hazards, for: | Combined single limit for bodily injury and property damage of \$500,000 per occurrence or equivalent. |
|----|--|--|

- a. Owned/leased vehicles
  - b. Non-owned vehicles
  - c. Hired vehicles
4. **Errors and Omissions** insurance policy (when applicable) Provide a prudent amount of coverage for the willful or negligent acts or omissions of any officers, employees or agents thereof.

**ADDITIONAL POLICY ENDORSEMENTS**

CITY shall be entitled, upon request, and without expense, to receive copies of the policies and all endorsements thereto and may make any reasonable request for deletion, revision, or modification of particular policy terms, conditions, limitations, or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any of such policies). Upon such request by CITY, CONTRACTOR shall exercise reasonable efforts to accomplish such changes in policy coverages, and shall pay the cost thereof.

**REQUIRED PROVISIONS**

CONTRACTOR agrees with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, on the certificate or its attachment, the following required provisions.

- a. Name the City of Seguin and its officers, employees, and elected representatives as an Additional Insured(s), (as the interest of each insured may appear) to all applicable coverage.
- b. Provide for 30 days notice to City for cancellation, non-renewal, or material change.
- c. Provide for notice to City at the address shown below by registered mail.
- d. CONTRACTOR agrees to waive subrogation against the City of Seguin, its officers, employees, and elected representatives for injuries, including death, property damage, or any other loss to the extent same may be covered by the proceeds of insurance.
- e. Provide that all provisions of this agreement concerning liability, duty, and standard of care together shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.
- f. For coverages that are **only** available with claims made policies, the required period of coverage will be determined by the following formula: Continuous coverage for the life of the contract, plus one year (to provide coverage for the warranty period) and an extended discovery period for a minimum of five years which shall begin at the end of the warranty period.

**NOTICES**

CONTRACTOR shall notify CITY in the event of any change in coverage and shall give such notices not less than thirty (30) days prior to the change, which notice must be accompanied by a replacement CERTIFICATE OF INSURANCE. All notices shall be given to CITY at the following address:

Purchasing Department  
 City of Seguin  
 P.O. Box 591  
 Seguin, Texas 78156

**SECTION D.** Approval, disapproval, or failure to act by CITY regarding any insurance supplied by CONTRACTOR shall not relieve CONTRACTOR of full responsibility or liability for damages and accidents as set forth in the contract documents. Neither shall the bankruptcy, insolvency, or denial of liability by the insurance company exonerate CONTRACTOR from liability.

**WORKERS COMPENSATION INSURANCE**  
**for**  
**Building or Construction Projects and Services Provided at City-Owned Facilities**

**TEXAS WORKERS' COMPENSATION COMMISSION RULE 28 § 110.110**

\*\*\*\*\*

As required by the Texas Workers' Compensation Rule 28, §110.110, the Contractor shall accept the following definitions and comply with the following provisions:

**Workers' Compensation Insurance Coverage**

**A. Definitions:**

1. Certificate of coverage ("certificate")-A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.
2. Duration of the project-includes the time from the beginning of the work on the project until the Contractor's/person's work on the project has been completed and accepted by the City of Seguin.
3. Persons providing services on the project ("subcontractor" in Section 406.096) - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent Contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

B. The Contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the Contractor providing services on the project, for the duration of the project.

C. The Contractor must provide a certificate of coverage to the City of Seguin prior to being awarded the contract.

D. If the coverage period shown on the Contractor's current certificate of coverage ends during the duration of the project, the Contractor must, prior to the end of the coverage period, file a new certificate of coverage with the City of Seguin showing that coverage has been extended.

E. The Contractor shall obtain from each person providing services on a project, and provide to the City of Seguin:

1. A certificate of coverage, prior to that person beginning work on the project, so the City of Seguin will have on file certificates of coverage showing coverage for all persons providing services on the project; and
2. No later than seven (7) days after receipt by the Contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.

F. The Contractor shall retain all required certificates of coverage for the duration of the project and for one (1) year thereafter.

G. The Contractor shall notify the City of Seguin in writing by certified mail or personal delivery, within ten (10) days after the Contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.

H. The Contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and

stating how a person may verify coverage and report lack of coverage.

- I. The Contractor shall contractually require each person with whom it contracts to provide services on a project, to:
1. Provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;
  2. Provide to the Contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project.
  3. Provide the Contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
  4. Obtain from each other person with whom it contracts, and provide to the Contractor:
    - a. A certificate of coverage, prior to the other person beginning work on the project; and
    - b. A new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project.
  5. Retain all required certificates of coverage on file for the duration of the project and for one (1) year thereafter;
  6. Notify the City of Seguin in writing by certified mail or personal delivery, within ten (10) days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
  7. Contractually require each person with whom it contracts, to perform as required by paragraphs (1) - (7), with the certificates of coverage to be provided to the person for whom they are providing services.
- J. By signing this contract or providing or causing to be provided a certificate of coverage, the Contractor is representing to the City of Seguin that all employees of the Contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.
- K. The Contractor's failure to comply with any of these provisions is a breach of contract by the Contractor which entitles the City of Seguin to declare the contract void if the Contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the City of Seguin.

As defined by the Texas Labor Code, Chapter 269, Section 406.096(e), building or construction is defined as:

1. Erecting or preparing to erect a structure, including a building, bridge, roadway, public utility facility, or related appurtenance;
2. Remodeling, extending, repairing, or demolishing a structure; or
3. Otherwise improving real property or an appurtenance to real property through similar activities.

The employment of a maintenance employee who is not engaging in building or construction as the employer's primary business does not constitute engaging in building or construction.

**CITY OF SEGUIN  
INSURANCE REQUIREMENT AFFIDAVIT**

**To be Completed By Appropriate Insurance Agent  
and submitted with bid proposal.**

I, the undersigned Agent/Broker, certify that the insurance requirements contained in this bid document have been reviewed by me with the below identified Contractor. If the below identified Contractor is awarded this contract by the City of Seguin, I will be able to, within ten (10) days after being notified of such award, furnish a valid insurance certificate to the City meeting all of the requirements defined in this bid.

\_\_\_\_\_   
Agent (Signature)

\_\_\_\_\_   
Agent (Print)

Name of Agency/Broker: \_\_\_\_\_

Address of Agent/Broker: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Agent/Broker Telephone #: (        ) \_\_\_\_\_

CONTRACTOR'S NAME: \_\_\_\_\_

(Print or Type)

**NOTE TO AGENT/BROKER**

If this time requirement is not met, the City has the right to invalidate the bid award and award the contract to the next lowest bidder meeting specifications. Should an awarded bid be invalidated the Contractor may be liable for breach of contract. If you have any questions concerning these requirements, please contact the Purchasing Manager for the City of Seguin at (830) 401-2451