



CITY OF ROANOKE, VIRGINIA
REQUEST FOR PROPOSAL
FOR
HEALTHCARE CONSULTING SERVICES
RFP NUMBER 13-03-07
OPENING DATE: November 21, 2012
OPENING TIME 2:00 P.M.

The Request for Proposal and related documents may be obtained during normal business hours from the Purchasing Division located in the Noel C. Taylor Municipal Building, 215 Church Avenue, SW, Room 202, Roanoke, VA 24011, or from the City Vendor Self Service web site at <https://VSS.roanokeva.gov>.

**THIS PUBLIC BODY DOES NOT DISCRIMINATE
AGAINST FAITH-BASED ORGANIZATIONS**

Date of RFP: October 30, 2012

REQUEST FOR PROPOSAL (RFP)

RFP No. 13-03-07
Issue Date: October 30, 2012
Commodity Code: 94807, 95856, 94848, 95348, 95861, 95352, 91867, 91787, 95380, 95360, 95348, 91866

Title: HEALTHCARE CONSULTING SERVICES

Issued By: **City of Roanoke**
Purchasing Division
Noel C. Taylor Municipal Building
215 Church Ave., SW, Room 202
Roanoke, VA 24011-1517
Phone (540) 853-2871
FAX (540) 853-1513
Email: Sharon.Lewis@roanokeva.gov

Sealed proposals will be received on or before **2:00 P.M., November 21, 2012** for furnishing the services and/or items described herein. The time of receipt shall be determined by the time clock stamp in the Purchasing office.

All questions must be submitted before 5:00 p.m., November 14, 2012. If necessary, an addendum will be issued in the form of a facsimile and posted to the City's Vendor Self Service web site at <https://VSS.roanokeva.gov>.

If proposals are mailed, send directly to the Purchasing Division at the address listed above. If hand delivered, deliver to the Purchasing Division at Noel C. Taylor Municipal Building, 215 Church Ave., SW, Room 202, Roanoke, VA.

THIS PUBLIC BODY DOES NOT DISCRIMINATE AGAINST FAITH-BASED ORGANIZATIONS.

The City reserves the right to cancel this RFP and/or reject any or all proposals and to waive any informalities in any proposal.

This section is to be completed by the Offeror and this page must be returned with the proposal. In compliance with this request for proposal and subject to all terms and conditions imposed herein, which are hereby incorporated herein by reference, the undersigned offers and agrees to furnish the services and/or items requested in this solicitation if the undersigned is selected as the successful Offeror. No proposal may be withdrawn for a period of sixty (60) days after the opening of the proposal, except as provided in the RFP.

Legal Name and Address of Firm (according to your registration with the SCC):REQUIRED

_____ Date: _____

_____ By: _____
(Signature in Ink)

_____ Name: _____
(Please Print)

_____ Zip: _____ Title: _____

Phone: _____ FAX: _____

Email: _____ Business License# _____

Virginia State Corporation Commission Identification Number: _____

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CITY OF ROANOKE, VIRGINIA
REQUEST FOR PROPOSAL
FOR
HEALTHCARE CONSULTING SERVICES
RFP NO. 13-03-07

INTRODUCTION

The City of Roanoke, Virginia, is seeking competitive proposals from qualified Offerors to provide healthcare consulting services in accordance with all terms, conditions and specifications as set out in this Request for Proposal (RFP). The RFP and related documents may be obtained during normal business hours from the Purchasing Division, (540) 853-2871, or from the City's Vendor Self Service web site at <https://VSS.roanokeva.gov>.

OFFERORS SHALL HAVE AT LEAST FIVE YEARS OF EXPERIENCE WORKING WITH PUBLIC EMPLOYERS THAT HAVE APPROXIMATELY 1,700 EMPLOYEES.

Proposals, to be considered and evaluated, must be sealed and received on or before 2:00 p.m. on **November 21, 2012** in the Purchasing Division, City of Roanoke, Noel C. Taylor Municipal Building, 215 Church Ave., SW, Room 202, Roanoke, VA 24011. Proposals appropriately received will be opened at this time. **Proposals received after 2:00 p.m. will not be accepted or considered.** The time of receipt shall be determined by the time clock stamp in the Purchasing Office, or if it is not working, such time shall be determined by the Purchasing official who is to open the proposals. Faxed or e-mailed proposals are not acceptable.

Each proposal, one (1) original and four (4) copies, must be appropriately signed by an authorized representative of the Offeror, and must be submitted in a sealed envelope or package. The notation "**HEALTHCARE CONSULTING SERVICES**", **RFP No. 13-03-07** and the specified opening time and date must be clearly marked on the front of that sealed envelope or package.

The City of Roanoke, Virginia, and its officers, employees or agents will not be responsible for the opening of a proposal envelope or package prior to the scheduled opening if that envelope or package is not appropriately sealed and marked as specified.

The City of Roanoke, Virginia reserves the right to cancel this RFP and/or reject any or all proposals, to waive informalities in any proposal, to award any whole or part of a proposal, and to award to the Offeror whose proposal is, at the sole discretion of the City of Roanoke, determined to be in the best interest of the City.

Project evaluation and award will be accomplished in accordance with this RFP and Sections 23.2-1, et seq., of the Code of the City of Roanoke, Virginia, including the price or value of the benefits offered the City in the proposal. If an award of a contract is made, notification of such award will be posted for public review in the lobby on the second floor of the Noel C. Taylor Municipal Building, 215 Church Ave., SW, Roanoke, VA 24011.

No proposal may be withdrawn for a period of sixty (60) days after the opening of the proposal unless the proposal is the subject of a clerical error as defined in Section 2.2-4330 (A) of the Code of Virginia. The submitter of the proposal must give the City a notice of the request to withdraw within two (2) business days after the conclusion of the opening of the proposals, as set forth in Section 2.2-4330 (A) (i).

Inquires regarding this RFP should be directed to Sharon Lewis, Purchasing Manager at (540) 853.2871.

This RFP consists of this Introduction, 9 numbered sections, and the attachments hereto.

If you download this RFP from the City website and intend to submit a proposal, you should notify Purchasing that you have done so. However, each Offeror is solely responsible for ensuring that such Offeror has the current, complete version of the RFP documents, including any addenda, before submitting a proposal. The City is not responsible for any RFP obtained from any source other than the City. Contact Purchasing by phone at 540.853.2871, by fax at 540.853.1513, or by email at Sharon.Lewis@roanokeva.gov.

Respectfully,

Sharon T. Lewis C.P.M., VCO, CPPB
Purchasing Manager

Date: October 30, 2012

City of Roanoke, Virginia
Request for Proposal No. 13-03-07

Healthcare Consulting Services

SECTION 1. PURPOSE.

The purpose of this Request for Proposal (RFP) is the procurement of healthcare consulting services. The Consultant shall provide ongoing plan monitoring, and provide advice for the City's benefit programs.

The City of Roanoke invites any qualified Offeror to respond to this RFP by submitting a proposal for healthcare consulting services consistent with the terms and conditions herein set forth. Final scope of services will be negotiated with the successful Offeror.

SECTION 2. BACKGROUND.

NOT USED

SECTION 3. INSTRUCTIONS TO OFFERORS.

- A. Proposals must be submitted in accordance with the instructions and requirements contained in this RFP, including the Introduction. Failure to do so may result in the proposal being considered non-responsive and it may be rejected. An Offeror must promptly notify the Purchasing Division of any ambiguity, inconsistency, or error which may be discovered upon examination of the RFP. An Offeror requiring clarification or interpretation of this RFP should contact the Purchasing Manager at (540) 853-2871.
- B. Prospective Offerors, sometimes referred to as providers, operators, contractors, consultants, or vendors, are to address the criteria below at a minimum as part of their submitted proposal. Each proposal should include a transmittal letter and management overview of the proposal. Proposals are to include and may be evaluated on the following factors, together with such other factors as will protect and preserve the interests of the City of Roanoke, which may also be considered.
 - 1. Organizational structure of firm and qualifications of management personnel.
Prospective Offerors should submit at a minimum the length of time in the business, corporate experience, strengths in the industry, business philosophy, and a description of the organizational structure of the firm; a description of the organizational structure for the management and operation of the services requested and/or provision of the items referred to in this RFP, including an organizational chart denoting all positions and the number of personnel in each position.

2. Financial condition of the firm and ability to perform all obligations of any resultant contract.

The sufficiency of the financial resources and the ability of the Offeror to comply with the duties and responsibilities described in this RFP. Each Offeror shall provide a current annual financial report and the previous year's report and a statement regarding any recent or foreseeable mergers or acquisitions.

3. Each Offeror is to state whether or not any of Offeror's owners, officers, employees, or agents, or their immediate family members, is currently, or has been in the past year, an employee of the City of Roanoke or has any responsibility or authority with the City that might affect the procurement transaction or any claim resulting therefrom. If so, please state the complete name and address of each such person and their connection to the City of Roanoke. Each Offeror is advised that the Ethics in Public Contracting and Conflict of Interests Act of the Virginia Code, as set forth in Section 4 of this RFP, apply to this RFP.

4. Experience in providing the services and/or items requested by this RFP. **OFFERORS SHALL HAVE AT LEAST FIVE YEARS OF EXPERIENCE WORKING WITH PUBLIC EMPLOYERS THAT HAVE APPROXIMATELY 1,700 EMPLOYEES.**

5. Price.

Prospective Offerors must submit the price such Offeror proposes to charge the City for providing the required services, including all fees and costs and how they are calculated. This should detail specific cost for services to be provided by the consultant (i.e. maximum cost of the annual services, per year, as well as specific charges, hourly rates, retainers, and/or any other basis of billing proposed by the consultant to cover special projects).

6. The ability, capacity, and skill of the Offeror to provide the services and/or items described in this RFP and in a prompt and timely manner without delay or interference.

7. The character, integrity, reputation, judgment, experience, efficiency and effectiveness of the Offeror.

8. The quality and timeliness of performance of previous contracts or services of the nature described in this RFP.

9. Compliance by the Offeror with laws and ordinances regarding prior contracts, purchases, or services.

10. The conditions, if any, of the proposal.

- C. Each Offeror should provide the names, addresses, and telephone numbers of at least three (3) references in connection with supplying the services or items requested in this RFP, especially from other local government operations similar to

those being requested in this RFP by the City. Each reference should include organizational name, official address, and contact person, title of contract, and any hardware or software elements in use, number of years in use and phone number.

- D. The proposal should be no more than 50 sheets (printing on back and front is acceptable) in length. Also include any other materials you may want to submit as part of your proposal response.
- E. NOT USED.
- F. The City may request additional information, clarification, or presentations from any of the Offerors after review of the proposals received.
- G. The City has the right to use any or all ideas presented in reply to this RFP, subject only to the limitations regarding proprietary/confidential data of Offeror.
- H. The City is not liable for any costs incurred by any Offeror in connection with this RFP or any response by any Offeror to this RFP. The expenses incurred by Offeror in the preparation, submission, and presentation of the proposal are the sole responsibility of the Offeror and may not be charged to the City.
- I. NOT USED.
- J. Only the City will make news releases pertaining to this RFP or the proposed award of a Contract.
- K. Each Offeror who is a stock or nonstock corporation, limited liability company, business trust, or a limited partnership or other business entity shall be authorized to transact business in the Commonwealth of Virginia as a domestic or foreign business entity if required by law. Each such Offeror shall include in its proposal response the Identification Number issued to it by the Virginia State Corporation Commission (SCC) and should list its business entity name as it is listed with the SCC. Any Offeror that is not required to be authorized to transact business in the Commonwealth as a domestic or foreign business entity as required by law shall include in its proposal response a statement describing why the Offeror is not required to be so authorized. (See Va. Code Section 2.2-4311.2).
- L. Each Offeror is required to state if it has ever been debarred, fined, had a contract terminated, or found not to be a responsible bidder or Offeror by any federal, state, or local government, and/or private entity. If so, please give the details of each such matter and include this information with the proposal response.

SECTION 4. MISCELLANEOUS.

- A. Ownership of Material - 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*. Trade secrets or proprietary information submitted by the Offeror shall not be subject to public disclosure under the *Freedom of Information Act*, unless otherwise required by law or a court. **However, the Offeror must invoke the protection of Section 2.2-4342(F) 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 and state the reason 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 trade secret or proprietary information. The classification of an entire proposal document, line item prices, and/or total proposal prices as proprietary, or trade secrets, is NOT ACCEPTABLE and may result in REJECTION of the proposal.

- B. As this is a RFP, no information regarding the proposal records or the contents of responses will be released except in accordance with Section 2.2-4342 of the Code of Virginia. Once an award has been made, all proposals will be open to public inspection subject to the provisions set forth above.
- C. Any interpretation, correction, or change of the RFP will be made by an addendum. Interpretations, corrections or changes of this RFP made in any other manner will not be binding and Offerors must not rely upon such interpretations, corrections, or changes. The City Purchasing Division or its designee will issue Addenda. Addenda will be faxed or mailed to all who are listed as having received the RFP Package.
- D. No Offeror shall confer on any public employee having official responsibility for a purchasing transaction any payment, loan, subscription, advance, deposit or money, service, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is exchanged.
- E. The City may make investigations to determine the ability of the Offeror to perform or supply the services and/or items as described in this RFP. The City reserves the right to reject any proposal if the Offeror fails to satisfy the City that it is qualified to carry out the obligations of the proposed contract.
- F. The successful Offeror must comply with the nondiscrimination provisions of Virginia Code Section 2.2-4311, which are incorporated herein by reference.
- G. The successful Offeror must comply with the drug-free workplace provisions of Virginia Code Section 2.2-4312, which are incorporated herein by reference.
- H. It is the policy of the City of Roanoke to maximize participation by minority and women owned business enterprises in all aspects of City contracting opportunities.
- I. The successful Offeror shall comply with all applicable City, State, and Federal laws, codes, provisions, and regulations. The successful Offeror shall not during the performance of any resultant contract knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- J. Providers of any outside services shall be subject to the same conditions and requirements as the successful Offeror in regards to law, code, or regulation compliance. The City reserves the right of approval for any subcontract work, including costs thereof.
- K. Ethics in Public Contracting. The provisions, requirements, and prohibitions as contained in Sections 2.2-4367 through 2.2-4377, of the Virginia Code, pertaining to bidders, offerors, contractors, and subcontractors are applicable to this RFP.

- L. Conflict of Interests Act. The provisions, requirements, and prohibitions as contained in Sections 2.2-3100, et seq., of the Virginia Code are applicable to this RFP.
- M. The procurement provisions of the Code of the City of Roanoke (1979), as amended, Sections 23.2-1, et seq., as well as the City Procurement Manual, apply to this RFP, unless specifically modified herein. The City's Procurement Manual can be reviewed at the Purchasing office.
- N. Insurance Requirements.
Successful Offeror, and any of its subcontractors, shall, at its sole expense, obtain and maintain during the life of the resulting Contract the insurance policies and/or bonds required. Any required insurance policies and/or bonds shall be effective prior to the beginning of any work or other performance by successful Offeror, or any of its subcontractors, under any resultant Contract. All such insurance shall be primary and noncontributory to any insurance or self-insurance the City may have. The policies and coverages required are those as may be referred to in the sample contract and/or the terms and conditions attached to this RFP.
- O. Direct Contact.
Direct contact with any City employee, including Human Resources without the expressed permission from the Purchasing Manager, on the subject of this proposal, is strictly forbidden. Violation of this paragraph may result in disqualification of your proposal.
- P. Methodology.
Provide a detailed narrative of the methodology of the Offeror's management process incorporating and understanding of the goals and criteria of the requested services and how the Offeror intends to meet those goals and criteria. Describe specific plans for providing the services including what, when and how the service will be performed. The narrative should include what the City of Roanoke would stand to gain by entering into a contract with the Offeror.
- Q. Additional Services.
Throughout the original contract term and any subsequent renewal(s), the Successful Offeror may be utilized, at the sole discretion of the City, to provide additional enhanced services within the scope of the original contract. Rates/cost for additional services shall be negotiated between the parties; however, they shall not be greater than those usual and customary rates charged for the same of similar services.

SECTION 5. PROTESTS.

Any Offeror who wishes to protest or object to any award made or other decisions pursuant to this RFP may do so only in accordance with the provisions of Sections 2.2-4357, 4358, 4359, 4360, 4363, and 4364 of the Code of Virginia, and only if such is provided for in such Code section.

SECTION 6. SERVICES AND/OR ITEMS REQUIRED.

A description and/or listing of the services and/or items that the successful Offeror will be required to provide to the City under this RFP are those that are set forth below and/or referred to in any way in the sample contract, any terms and conditions, and/or any attachments to this RFP.

Each Offeror should carefully read and review all such items and should address such items in its proposal. However, the final description of the services and/or items to be provided to the City under this RFP is subject to negotiations with the successful Offeror, and final approval by the City. The Successful Offeror shall:

- A. Work with and help educate City staff on current health insurance issues and trends.
- B. Assist in the review of the City's current benefits schedule, help identify a full range of options, and make recommendations concerning revision of those benefits.
- C. Propose a comprehensive, affordable health care strategy for the City's benefited employees.
- D. Prepare a Request for Proposal for health insurance coverage, coordinate and participate in the review of proposals received in response to such RFP, and advise the City in the review of such proposals.
- E. Must be able to represent the City in negotiations with health insurance providers, if requested.
- F. Provide consultation with regard to the short-term and long-term needs of the City, the Employee Health Clinic, and its employees.
- G. Respond to ad-hoc questions by staff.
- H. Present and/or respond to alternative plan considerations and associated costs based on identified objectives or as the City's needs change. Evaluate plan design and advise as to cost savings strategies and plan improvements.
- I. Analyze monthly claim experience to identify large claims and trends.
- J. Analyze claim utilization data to identify areas of over utilization, including recommendations for cost management opportunities.
- K. Analyze and identify trends affecting the City's benefit plans.
- L. Evaluate provider networks.
- M. Identify areas of concern and propose alternatives.
- N. Provide assistance in the open enrollment period to include enrollment campaign(s), which may include meetings to explain the plans/benefits, if requested.
- O. Assist with HIPPA notification and other federal compliance issues.
- P. Communicate emerging practices and trends in benefits management.
- Q. Benchmark and survey information used to determine plan competitiveness and strategies.

SECTION 7. EVALUATION CRITERIA.

Offerors will be evaluated for selection on the basis of those most qualified and best suited to meet the requirements of this RFP. Major criteria to be considered in the evaluation may include, but shall not necessarily be limited to the items referred to above and those set forth below:

- A. The background, education and experience of the Offeror in providing similar services or items elsewhere, including the level of experience in working with municipalities and the quality of services performed or items supplied.
- B. Reasonableness/competitiveness of proposed fee and/or benefits to the City, although the City is not bound to select the Offeror who proposes the lowest fees or most benefits for services. The City reserves the right to negotiate fees and/or benefits to the City with the selected Offeror(s).
- C. The Offeror's responsiveness and compliance with the RFP requirements and conditions.
- D. Determination that the selected Offeror has no contractual relationships which would result in a conflict of interest with the City's contract.
- E. The Offeror's ability, capacity, and skill to fully and satisfactorily provide the services and/or items required in this RFP.
- F. The quality of Offeror's performance in comparable and/or similar projects.
- G. Whether the Offeror can provide the services and/or deliver the items in a prompt and timely fashion.

SECTION 8. SELECTION PROCESS.

- A. Pursuant to Section 2.2-4301 (3)(b) of the Code of Virginia, selection shall be made of two or more Offerors, if there be that many, deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation of factors included in this RFP, including price. Negotiations shall be conducted with 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 (through the City Manager or City Manager's designee) shall select the Offeror which, in his/her opinion, has made the best proposal, and may award the contract to that Offeror. The City may cancel this RFP or reject proposals at any time prior to an award, and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous. 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.
- B. All proposals submitted in response to this RFP will be reviewed by the Purchasing Division or its designee for responsiveness prior to referral to a selection committee or person. A committee consisting of City personnel and/or others and/or an appropriate individual will then evaluate all responsive proposals, conduct the negotiations, and make recommendations to the City Manager, or the City

Manager's designee, as appropriate. The award of a contract, if made, will be made to the Offeror whose proposal best furthers the interest of the City, as determined by the City Manager, or the City Manager's designee. The City reserves the right to reject any and all proposals, to waive any informality or irregularity in the proposals received, and to make the award to the Offeror whose proposal is deemed to be in the best interest of the City.

- C. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to the selection committee or person. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. Oral presentations are strictly at the option of the City and may or may not be conducted.

SECTION 9. INFORMATION ON CONTRACT TO BE AWARDED.

The Sample Contract marked as Attachment A to RFP No. 13-03-07 contains terms and conditions that the City plans to include in any contract that may be awarded, but such terms and conditions may be changed, added to, deleted, or modified as may be agreed to between the City and the Offeror during negotiations. However, if an Offeror has any objections to any of the terms or conditions set forth in the Sample Contract or any changes or additions thereto that the Offeror wants to discuss during negotiations, the Offeror should set forth such objections, changes, or additions in such Offeror's proposal submitted in response to this RFP. Otherwise, submission of a proposal by an Offeror will obligate such Offeror, if it is the successful Offeror, to enter into a contract containing the same or substantially similar terms and conditions as contained in such Sample Contract. Other terms and conditions, if necessary, will be negotiated with the successful Offeror.

END

**ATTACHMENT A TO
RFP# 13-03-07
HEALTHCARE CONSULTING SERVICES**

**CITY OF ROANOKE, VIRGINIA
SAMPLE CONTRACT**

This Contract is dated _____, 20____, between the City of Roanoke, Virginia, a Virginia municipal corporation, hereinafter referred to as the "City" or "Owner", and

(legal name and address of contractor)

hereinafter referred to as the "Contractor, " **{NOTE: Use one of the following if applicable.}** {a _____ **corporation.}** {an **Individual.}** {a _____ **Partnership.}** {a _____ **Limited Liability Company.}**

WITNESSETH:

WHEREAS, Contractor has been awarded this Contract by the City for furnishing all equipment, materials, goods, labor, and services necessary for providing Healthcare Consulting Services for the City of Roanoke, and associated work in accordance with this Contract and the documents referred to herein, all such items or services also being referred to hereinafter as the Work or Project.

NOW, THEREFORE, THE CITY AND THE CONTRACTOR AGREE AS FOLLOWS:

SECTION 1. WORK TO BE PERFORMED AND DOCUMENTS.

For and in consideration of the money hereinafter specified to be paid by the City to the Contractor for the Work provided for in this Contract to be performed by the Contractor, the Contractor hereby covenants and agrees with the City to fully perform the services, provide any materials called for, construct, and complete the Work called for by this Contract in a good and workmanlike manner in accordance with this Contract and the documents referred to herein in order to fully and properly complete this Contract within the time stipulated, time being made of the essence for this Contract. It is also agreed by the parties hereto that the documents to this Contract consist of this Contract and the following documents listed below (Contract Documents), all of which are and constitute a part of this Contract as if attached hereto or set out in full herein, viz:

1. Insurance Requirements (Exhibit 1)
2. Scope of Services (Exhibit 2)

The parties agree that if there are any differences between the provisions of the above referenced documents, the provisions of the City documents and this Contract will control over any Contractor supplied documents or information.

SECTION 2. CONTRACT AMOUNT.

The City agrees to pay the Contractor for the Contractor's complete and satisfactory performance of the Work, in the manner and at the time set out in this Contract, the not to exceed Contract amount of \$_____ annually, as provided for in this Contract and that this Contract amount may be increased or decreased by additions and/or reductions in the Work as may be authorized and approved by the City, and the Contract amount may be decreased by the City's assessment of any damages against the Contractor, as may be provided for in this Contract or by law, and the City retains the right of setoff as to any amounts of money the Contractor may owe the City.

SECTION 3. TERM OF CONTRACT.

- A. The term of this Contract will be for one (1) year, from February 26, 2013, through February 25, 2014, at which time it will terminate, unless sooner terminated pursuant to the terms of the Contract or by law.
- B. At the City's option, the Contract may be renewed for up to four (4) additional one (1) year terms or any combination thereof. The City may exercise its option by giving written notice of such to the Contractor at least sixty (60) days before the expiration of the initial three (3) year term or any subsequent renewal terms. The party receiving such request shall either accept or reject in writing such request within thirty (30) days of receipt of that request, provided, however, if the party receiving the request to renew fails to respond within thirty (30) days, the request to renew shall be deemed to be rejected, unless the parties mutually agree otherwise.
- C. All terms and conditions shall remain in force for the term of this Contract and for any renewal period unless modified by mutual agreement of both parties. Prices shall not be increased during the initial term of this Contract. Prices for any renewal periods will be subject to the mutual agreement of both parties.

SECTION 4. TIME OF PERFORMANCE.

The Contractor shall commence the Work to be performed under this Contract on such date as is established and fixed for such commencement by written notice (which may be initially given verbally in an emergency situation) to proceed given by the City representative to the Contractor, and the Contractor covenants and agrees to fully construct, perform, and complete the Work and/or provide the goods called for by this Contract established by such notice. The Contractor further agrees that the Work shall be started promptly upon receipt of such notice and shall be prosecuted regularly, diligently, and uninterruptedly at a rate of progress that will ensure full completion thereof in the shortest length of time consistent with the Contract Documents and that Contractor will

cooperate and coordinate with the other City contractors or employees doing other work or using the area where Contractor is working.

SECTION 5. PAYMENT.

- A. The City agrees to pay Contractor for the Contractor's complete and satisfactory performance of the Work, in the manner and at the time set out in this Contract, an annual total lump sum amount of \$_____. The City retains the right to setoff as to any amounts of money Contractor may owe the City. A written progress report may be requested by the City to accompany payment request and, if so, such progress report shall detail the work completed.
- B. Also, sufficient documentation of all costs, expenses, materials supplied, and/or hours worked may be requested by the City and, if so, may be required prior to the processing of any such request for payment. Payment will only be made for work actually performed, services actually supplied, and/or materials or goods furnished to the City, all of which need to be approved and accepted by the City prior to such payment, unless otherwise provided for in the Contract documents. Once a payment request has been received by the City, the City will process such payment request. If there are any objections or problems with the payment request, the City will notify the Contractor of such matters. If the payment request is approved and accepted by the City, payment will be made by the City to the Contractor not more than 30 days after such request has been approved.

SECTION 6. PAYMENTS TO OTHERS BY CONTRACTOR.

The Contractor agrees that Contractor will comply with the requirements of Section 2.2-4354 of the Virginia Code regarding Contractor's payment to other entities and the Contractor will take one of the two actions permitted therein within 7 days after receipt of amounts paid to Contractor by the City. Contractor further agrees that the Contractor shall indemnify and hold the City harmless for any lawful claims resulting from the failure of the Contractor to make prompt payments to all persons supplying the Contractor equipment, labor, tools, or material in connection with the work provided for in the Contract. In the event of such claims, the City may, in the City's sole discretion, after providing written notice to the Contractor, withhold from any payment request or final payment the unpaid sum of money deemed sufficient to pay all appropriate claims and associated costs in connection with the Contract and make such payment, if the City determines it to be appropriate to do so.

SECTION 7. HOLD HARMLESS AND INDEMNITY.

Contractor shall indemnify and hold harmless the City and its officers, agents, and employees against any and all liability, losses, damages, claims, causes of action, suits of any nature, costs, and expenses, including reasonable attorney's fees, resulting from or arising out of Contractor's or its employees, agents, or subcontractors actions, activities, or omissions, negligent or otherwise, on or near City's property or arising in any way out of or

resulting from any of the work or items to be provided under this Contract, and this includes, without limitation, any fines or penalties, violations of federal, state, or local laws or regulations, personal injury, wrongful death, or property damage claims or suits. Contractor agrees to and shall protect, indemnify, and hold harmless all the parties referred to above from any and all demands for fees, claims, suits, actions, causes of action, settlement or judgments based on the alleged or actual infringement or violation of any copyright, trademark, patent, invention, article, arrangement, or other apparatus that may be used in the performance of this Contract.

SECTION 8. COMPLIANCE WITH LAWS, REGULATIONS, AND IMMIGRATION LAWS.

Contractor agrees to and shall comply with all applicable federal, state, and local laws, ordinances, and regulations, including all applicable licensing requirements. Contractor further agrees that Contractor does not, and shall not during the performance of this Contract, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Contract Act of 1986.

SECTION 9. INDEPENDENT CONTRACTOR.

The relationship between Contractor and the City is a contractual relationship. It is not intended in any way to create a legal agency or employment relationship. Contractor shall, at all times, maintain its status as an independent contractor and both parties acknowledge that neither is an agent, partner or employee of the other for any purpose. Contractor shall be responsible for causing all required insurance, workers' compensation (regardless of number of employees) and unemployment insurance to be provided for all of its employees and subcontractors. Contractor will be responsible for all actions of any of its subcontractors, and that they are properly licensed.

SECTION 10. REPORTS, RECORDS, AND AUDIT.

Contractor agrees to maintain all books, records and other documents relating to this Contract for a period of five (5) years after the end of each fiscal year included in this Contract. The City, its authorized employees, agents, representatives, and/or state auditors shall have full access to and the right to examine, copy, and/or audit any of such materials during such period, upon prior written notice to Contractor.

SECTION 11. INSURANCE REQUIREMENTS.

Contractor and any of its subcontractors involved in this Contract shall maintain the insurance coverages set forth in Exhibit 1 to this Contract and provide the proof of such insurance coverage as called for in Exhibit 1, including workers' compensation coverage regardless of the number of Contractor's employees. Such insurance coverage shall be obtained at the Contractor's sole expense and maintained during the life of the Contract and shall be effective prior to the beginning of any work or other performance by the Contractor under this Contract. Additional insured endorsements, if required, must be received by the City within 30 days of the execution of this Contract or as otherwise required by the City's Risk Manager.

SECTION 12. DEFAULT.

If Contractor fails or refuses to perform any of the terms of this Contract, including poor services, work or materials, the City may, by written notice to Contractor, terminate this Contract in whole or in part. In addition to any right to terminate, the City may enforce any remedy available at law or in equity in connection with such default, and Contractor shall be liable for any damages to the City resulting from Contractor's default. The City further reserves the right to immediately obtain such work, materials or services from other entities in the event of Contractor's default.

SECTION 13. NONWAIVER.

Contractor agrees that the City's waiver or failure to enforce or require performance of any term or condition of this Contract or the City's waiver of any particular breach of this Contract by the Contractor extends to that instance only. Such waiver or failure is not and shall not be a waiver of any of the terms or conditions of this Contract or a waiver of any other breaches of the Contract by the Contractor and does not bar the City from requiring the Contractor to comply with all the terms and conditions of the Contract and does not bar the City from asserting any and all rights and/or remedies it has or might have against the Contractor under this Contract or by law.

SECTION 14. CHOICE OF LAW AND FORUM SELECTION.

This Contract shall be governed by, and construed in accordance with, the laws of the Commonwealth of Virginia, without application of Virginia's conflict of law provisions, and any applicable federal laws. Venue for any litigation, suits, and claims arising from or connected with this Contract shall only be proper in the Roanoke City Circuit Court, or in the Roanoke City General District Court if the amount in controversy is within the jurisdictional limit of such court or the United States District Court for the Western District of Virginia, Roanoke Division, if a federal question exists. All parties to this Contract voluntarily submit themselves to the jurisdiction and venue of such courts, regardless of the actual location of such parties. The provisions of this Contract shall not be construed in favor of or against either party, but shall be construed according to their fair meaning as if both parties jointly prepared this Contract.

SECTION 15. SEVERABILITY.

If any provision of this Contract, or the application of any provision hereof to a particular entity or circumstance, shall be held to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this Contract shall not be affected and all other terms and conditions of this Contract shall be valid and enforceable to the fullest extent permitted by law.

SECTION 16. NONDISCRIMINATION .

A. During the performance of this Contract, Contractor agrees as follows:

- i. 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. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - ii. Contractor in all solicitations or advertisements for employees placed by or on behalf of Contractor will state that Contractor is an equal opportunity employer.
 - iii. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
- B. Contractor will include the provisions of the foregoing Section A (i, ii, and iii) in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

SECTION 17. DRUG-FREE WORKPLACE.

- A. During the performance of this Contract, Contractor agrees to (i) provide a drug-free workplace for 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 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 Contractor that 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.
- B. For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

SECTION 18. FAITH BASED ORGANIZATIONS.

Pursuant to Virginia Code Section 2.2-4343.1, be advised that the City does not discriminate against faith-based organizations.

SECTION 19. ASSIGNMENT.

Contractor may not assign or transfer this Contract in whole or in part except with the prior written consent of the City, which consent shall not be unreasonably withheld. If consent to assign is given, no such assignment shall in any way release or relieve the Contractor from any of the covenants or undertakings contained in this Contract and the Contractor shall remain liable for the Contract during the entire term thereof.

SECTION 20. CONTRACTUAL DISPUTES.

Contractual claims, whether for money or for other relief, shall be submitted, in writing, no later than sixty (60) days after the earlier of the final payment or termination of the Contract or notice from the City to the Contractor that the City disputes the amount of Contractor's request for final payment. However, written notice of the Contractor's intention to file such claim must be given at the time of the occurrence or beginning of the work upon which the claim is based. Such notice is a condition precedent to the assertion of any such claim by the Contractor. A written decision upon any such claims will be made by the City Manager or the City Manager's designee (hereafter City Manager) within thirty (30) days after submittal of the claim and any practically available additional supporting evidence required by the City Manager. The Contractor may not institute legal action prior to receipt of the City's decision on the claim unless the City Manager fails to render such decision within 120 days from submittal of Contractor's claim. The decision of the City Manager shall be final and conclusive unless the Contractor within six (6) months of the date of the final decision on a claim or from expiration of the 120 day time limit, whichever occurs first, initiates legal action as provided in Section 2.2 - 4364, of the Va. Code. Failure of the City to render a decision within said 120 days shall not result in the Contractor being awarded the relief claimed nor shall it result in any other relief or penalty. The sole result of the City's failure to render a decision within said 120 days shall be Contractor's right to immediately institute legal action. No administrative appeals procedure pursuant to Section 2.2 - 4365 of the Va. Code has been established for contractual claims under this Contract.

SECTION 21. SUCCESSORS AND ASSIGNS.

The terms, conditions, provisions, and undertakings of this Contract shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

SECTION 22. HEADINGS.

The captions and headings in this Contract are for convenience and reference purposes only and shall not affect in any way the meaning and interpretation of this Contract.

SECTION 23. COUNTERPART COPIES.

This Contract may be executed in any number of counterpart copies, each of which shall be deemed an original, but all of which together shall constitute a single instrument.

SECTION 24. AUTHORITY TO SIGN.

The persons who have executed this Contract represent and warrant that they are duly authorized to execute this Contract on behalf of the party for whom they are signing.

SECTION 25. NOTICES.

All notices must be given in writing and shall be validly given if sent by certified mail, return receipt requested, or by a nationally recognized overnight courier, with a receipt, addressed as follows (or any other address that the party to be notified may have designated to the sender by like notice):

To City: City of Roanoke
Human Resources
Attn: Carolyn Glover, Director of Human Resources
Noel C. Taylor Municipal Building
215 Church Ave, Room 207
Roanoke, VA 24011
Facsimile: (540) 853-1218

Copy to: City of Roanoke Purchasing Division
Attn: Purchasing Manager
Noel C. Taylor Municipal Building
215 Church Avenue S.W., Room 202
Roanoke, Virginia 24011
Facsimile: (540) 853-1513

If to Contractor: _____

Facsimile: _____

SECTION 26. WARRANTY OF MATERIAL AND WORKMANSHIP.

The Contractor warrants that, unless otherwise specified, all material and equipment used in the work under this Contract shall be new, in first class condition, and in accordance with the Contract documents. The Contractor further warrants that all workmanship shall be of the highest quality in accordance with the Contract and shall be performed by persons qualified in their respective trades. This warranty of material and workmanship is separate and independent from and in addition to any of the Contractor's other guarantees or obligations under this Contract, or that may arise by law. Contractor agrees that Contractor shall repair or replace, at Contractor's sole expense, and to the satisfaction of the City, any

work, material, equipment, or part of the Work that is found by the City to be defective or not in accordance with the terms of this Contract.

SECTION 27. SUSPENSION OR TERMINATION OF CONTRACT BY CITY.

- A. The City, at any time, may order Contractor to immediately stop work on this Contract, and/or by seven (7) days written notice may terminate this Contract, with or without cause, in whole or in part, at any time. Upon receipt of such notice, the Contractor shall immediately discontinue all services affected (unless the notice directs otherwise), and deliver to the City all data (including electronic data), drawings, specifications, reports, project deliverables, estimates, summaries, and such other information and materials as may have been accumulated by the Contractor in performing this Contract whether completed or in process (unless otherwise directed by the notice).
1. If the termination or stop work order is due to the failure of the Contractor to fulfill any of its Contract obligations, the City may take over the Work and prosecute the same to completion by contract or otherwise. In such case, the Contractor shall be liable to the City for any damages allowed by law, and upon demand of City shall promptly pay the same to City.
 2. Should the Contract be terminated or work is stopped not due in any way to the fault of the Contractor, the Contractor shall only be entitled to compensation for services actually performed and materials actually supplied prior to notice of termination or to stop work and which are approved by the City and any applicable federal or state approving agency. No profit, overhead, or any other costs of any type are allowed after the date of such notice of termination or stop work order.
 3. The rights and remedies of the City provided in this Section are in addition to any other rights and remedies provided by law or under this Contract and City may pursue any and all such rights and remedies against Contractor as it deems appropriate.

SECTION 28. ETHICS IN PUBLIC CONTRACTING.

The provisions, requirements, and prohibitions as contained in Sections 2.2-4367 through 2.2-4377, of the Va. Code, pertaining to bidders, offerors, contractors, and subcontractors are applicable to this Contract.

SECTION 29. COMPLIANCE WITH STATE LAW, FOREIGN AND DOMESTIC BUSINESSES AUTHORIZED TO TRANSACT BUSINESS IN THE COMMONWEALTH OF VIRGINIA.

Contractor shall comply with the provisions of Virginia Code Section 2.2-4311.2, as amended, which provides that a contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered

limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 or as otherwise required by law. Contractor shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the Contract. The City may void the Contract if the Contractor fails to remain in compliance with the provisions of this section.

SECTION 30. ENTIRE CONTRACT.

This Contract, including any attachments, exhibits, and referenced documents, constitutes the complete understanding between the parties. This Contract may be modified only by written agreement properly executed by the parties.

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IN WITNESS WHEREOF, the parties hereto have signed this Contract by their authorized representatives.

WITNESS: **(Full Legal Name of Contractor)**

_____ By _____

Printed Name and Title

Printed Name and Title

(SEAL)

CITY OF ROANOKE, VIRGINIA

WITNESS:

_____ By _____
(City Manager or Authorized City Representative)

Printed Name and Title

Printed Name and Title

Approved as to Form:

Appropriation and Funds Required
for this Contract Certified:

City Attorney

Director of Finance

Approved as to Execution:

Account # _____

Date _____

City Attorney

**EXHIBIT 1
TO SAMPLE CONTRACT**

HEALTHCARE CONSULTING SERVICES

Reference: RFP# 13-03-07

INSURANCE REQUIREMENTS SECTION

The Contractor shall comply with the insurance requirements set forth in the Contract, including the items set forth below:

- A. Neither the Contractor nor any subcontractor shall commence work under this Contract until the Contractor has obtained and provided proof of the required insurance coverages to the City, and such proof has been approved by the City. The Contractor confirms to the City that all subcontractors have provided Contractor with proof of such insurance, or will do so prior to commencing any work under this Contract.
- B. Contractor, including all subcontractors, shall, at its and/or their sole expense, obtain and maintain during the life of this Contract the insurance policies and/or coverages required by this section. The City and its officers, employees, agents, assigns, and volunteers shall be added as an additional insured to the general liability and automobile coverages of any such policies and such insurance coverages shall be primary and noncontributory to any insurance and/or self-insurance such additional insureds may have. The Contractor shall immediately notify in writing the City of any changes, modifications, and/or termination of any insurance coverages and/or policies required by this Contract. The Contractor shall provide to the City with the signed Contract an Acord certificate of insurance which states in the description of operations section one of the two paragraphs below:
- (1) The City and its officers, employees, agents, assigns, and volunteers are additional insureds as coverage under this policy includes ISO endorsement CG 20 33 which provides that the insured status of such entities is automatic if required by a contract or a written agreement. If additional insured status is automatic under a different coverage form, Contractor must attach a copy of the coverage form to its certificate. Any required insurance policies shall be effective prior to the beginning of any work or other performance by Contractor and any subcontractors under this Contract.
- OR
- (2) ISO endorsement CG 20 10 will be issued, prior to the beginning of any work or other performance by Contractor under this Contract, to the City and its officers, employees, agents, assigns, and volunteers naming them as an additional insured under the general liability coverage. A copy of the binder confirming the issuance must be attached to the certificate. Any required

insurance policies shall be effective prior to the beginning of any work or other performance by Contractor and any subcontractors under this Contract.

However, if B (1) or (2) cannot be provided, the City's Risk Manager, in such Manager's sole discretion, may approve such other certificate of insurance or insurance document(s) that the Risk Manager deems acceptable.

C. The minimum insurance policies and/or coverages that shall be provided by the Contractor, including its subcontractors, include the following:

(1) Commercial General Liability: \$1,000,000.00

\$1,000,000.00 General Aggregate Limit (other than Products/Completed Operations).

\$1,000,000.00 Products/Completed Operations Aggregate Limit.

\$1,000,000.00 Personal Injury Liability (including liability for slander, libel, and defamation of character).

\$1,000,000.00 each occurrence limit

(2) Automobile Liability: \$1,000,000.00 combined single limit with applicable endorsement to cover waste cargo.

(3) Workers' Compensation and Employer's Liability:

Workers' Compensation: statutory coverage for Virginia

Employer's Liability:

\$100,000.00 Bodily Injury by Accident each occurrence

\$500,000.00 Bodily Injury by Disease Policy Limit.

\$100,000.00 Bodily Injury by Disease each employee.

(4) Professional Liability: Minimum limits of insurance coverage for Professional Liability shall be \$1,000,000 per claim and \$1,000,000 policy aggregate.

(5) The required limits of insurance for this Contract may be achieved by combining underlying primary coverage with an umbrella liability coverage to apply in excess of the general and automobile liability policies, provided that such umbrella liability policy follows the form of the underlying primary coverage.

- (6) Such insurance policies and/or coverages shall provide for coverage against any and all claims and demands made by a person or persons or any other entity for property damages or bodily or personal injury (including death) incurred in connection with the services, work, items, and/or other matters to be provided under this Contract with respect to the commercial general liability coverages and the automobile liability coverages. With respect to the workers' compensation coverage, Contractor's and its subcontractors' insurance company shall waive rights of subrogation against the City and its officers, employees, agents, assigns, and volunteers.
- (7) Contractor shall provide such other insurance policies and/or coverages that may be required by other parts of this Contract.

D. Proof of Insurance Coverage:

- (1) Contractor shall furnish the City with the above required certificates of insurance showing the type, amount, effective dates, and date of expiration of the policies.
- (2) Where waiver of subrogation is required with respect to any policy of insurance required under this Section, such waiver shall be specified on the certificate of insurance.

E. Insurance coverage shall be in a form and with an insurance company approved by the City, which approval shall not be unreasonably withheld. Any insurance company providing coverage under this Contract shall be authorized to do business in the Commonwealth of Virginia.

F. The Contractor's insurance policies and/or coverages shall not contain any exclusions for the Contractor's subcontractors.

G. The continued maintenance of the insurance policies and coverages required by the Contract is a continuing obligation, and the lapse and/or termination of any such policies or coverages without approved replacement policies and/or coverages being obtained shall be grounds for termination of the Contractor for default.

H. Nothing contained in the insurance requirements is to be construed as limiting the liability of the Contractor, and/or its subcontractors, or their insurance carriers. The City does not in any way represent that the coverages or the limits of insurance specified are sufficient or adequate to protect the Contractor's interest or liabilities, but are merely minimums. The obligation of the Contractor, and its subcontractors, to purchase insurance shall not in any way limit the obligations of the Contractor in the event that the City or any of those named above should suffer any injury or loss in excess of the amount actually recoverable through insurance. Furthermore, there is no requirement or obligation for the City to seek any recovery against the

Contractor's insurance company before seeking recovery directly from the Contractor.

END

**EXHIBIT 2
TO SAMPLE CONTRACT**

HEALTHCARE CONSULTING SERVICES

Reference: RFP# 13-03-07

SCOPE OF SERVICES

Final scope of services will be negotiated with the successful Offeror.