

**NOTICE OF SOLICITATION
UNIFORM INSTRUCTIONS FOR PROPOSALS
CITY OF BISBEE**

PAYROLL AND HUMAN RESOURCES MANAGEMENT SOFTWARE

1. Introduction

The City of Bisbee is seeking sealed bids and proposals (“Proposals”) in the manner specified herein from qualified vendors (“Vendor”) capable of providing the following goods and/or services:

The City of Bisbee is accepting sealed bids and proposals for Payroll and Human Resources Management Software

2. SCHEDULE OF EVENTS

Submittal Due Date:	March 14, 2018 by 5:00PM (Arizona, MST)
Submittal Location:	City Clerk City of Bisbee 1415 Melody Lane, Bldg G Bisbee, AZ 85603
Inquires may be directed to:	Ashlee Coronado City Clerk 1415 Melody Lane, Bldg G Bisbee, AZ 85603 (520) 432-6012

3. Nature of the Purchase

The specifications and descriptions of the work and/or materials required are described in the attached “Specifications, Scope of Work or Requirements” that accompanies this Notice.

4. Preparation of Proposal

4.1 - It is the responsibility of the Vendor to examine the entirety of this Notice of Solicitation and to seek clarification of any requirement that may not be clear. This Notice of Solicitation includes the City of Bisbee’s standard Purchase Contract, which the successful bidder will be required to execute.

4.2 - The City will not reimburse any costs incurred in developing, presenting or providing the Proposal. All materials and documents submitted in response become the property of the City and will not be returned.

4.3 - All Proposals submitted to the City become a public record. If the Vendor believes that any information included in a Proposal should remain confidential, the Vendor must specifically identify that information and its reasons. In the event of any public request for this information, the City will use its best reasonable efforts to provide the Vendor with notice of this request and an opportunity to obtain a court order, at the Vendor’s sole expense, protecting this information from release prior to making it available.

4.4 - The specifications included in this Notice of Solicitation are the minimum level required. All Proposals submitted must be for products or services that meet or exceed the minimum level of all such specifications.

4.5 - If brand names or specific products are identified in the specifications, the Vendor may propose substantially equivalent alternatives. For any such Proposal, the Vendor must submit technical literature or detailed production information sufficient to allow the City to evaluate the nature of the proposed product.

4.6 - Prices shall be submitted on a per unit basis, by line item, when applicable. The prices offered should not include applicable state and local taxes. The City will reimburse the Vendor for applicable transaction or sales taxes, provided that they are separately identified in any invoice. The Vendor will be responsible for the payment of all applicable taxes.

4.7 - Any exceptions that are included with the Proposal shall be submitted in a clearly identified separate statement by which the Vendor specifically identifies the precise terms to which any exception is made and describes any alternative offer, if applicable. Any exception that is not clearly identified will be without force and effect. An attached preprinted form of contract or the Vendor's standard terms will not be considered to be a specific statement of exception.

5. Submission of the Proposal

5.1 - Two copies of the Sealed Proposals must be in the actual possession of the City Clerk on or prior to the exact time and date indicated in the Schedule of Events. Late proposals will not be considered.

5.2 - Sealed Proposals must be submitted in a sealed envelope or container with the following information clearly indicated on the outside:

- a. Name of the Solicitation, as indicated by the City.
- b. Name and address of the Vendor

5.3 - Proposals shall be submitted in writing, by a paper document that is printed, typed or in ink. Proposals submitted directly to the City by electronic means, by facsimile, electronic mail, or otherwise, shall not be accepted. Any substitute for any document forms provided with this Notice of Solicitation must be legible and must contain the same information requested by any such form.

5.4 - Proposals may be withdrawn upon the submission of written, signed request submitted by the Vendor prior to the due date and time. Proposals may not be amended or withdrawn after the due date and time.

6. Award of the Contract

6.1 - The City reserves the right to waive any immaterial defect or informality in a Proposal; to reject any or all Proposals or portions thereof; to reissue this Notice of Solicitation; and to accept a Proposal on a partial basis, if in the best interests of the City.

6.2 - Unless otherwise stated, the Contract will be awarded to the lowest responsive, responsible bidder who has demonstrated the ability to perform as required. Factors that will be considered in

making this award include technical capability of the Vendor, performance history, demonstrated availability of the necessary people and equipment, price and timeliness of the performance.

7. Certification

7.1 - By signing and submitting a Proposal, the Vendor certifies that the Proposal did not involve any collusion or other anti-competitive practice; that the Vendor will not discriminate against any employee, applicant, or customer in violation of applicable state and federal law; and that the Vendor has not given, offered to give and will not give any economic opportunity, future employment, gift, loan, gratuity, trip, favor or discount to any City employee or official in connection with the Proposal.

7.2 - The Vendor further certifies that the individual signing the Proposal has the authority to make a binding legal commitment on behalf of the Vendor to perform and deliver everything that is required in connection with the Proposal. Unless otherwise stated herein, the Proposal shall be effective for a period of thirty (30) days.

PROPOSAL

TO THE CITY OF BISBEE:

The undersigned hereby offers the following Proposal and agrees to furnish the materials and/ or services requested in compliance with all of the terms, conditions, specifications, and other descriptions of the work associated with this Notice of Solicitation. The Vendor certifies that he or she has read, understands and will fully and faithfully comply with the Notice of Solicitation, its attachments and any referenced documents. The Vendor also certifies that the prices offered were independently developed without consultation with any of the other bids or potential bidders.

Authorized Signature

Date

Printed Name and Title

Company Name _____

Address _____

City, State and Zip Code _____

Telephone Number(s) _____

Company's Fax Number _____

Email Address _____

[ATTACH PROPOSAL TO THIS PAGE]

**ACCEPTANCE OF PROPOSAL
NOTICE OF AWARD**

The Proposal is hereby accepted by the City of Bisbee. This document shall also constitute notice of award of the Contract to the Vendor.

The Vendor is bound to provide the materials and/or services identified in the Proposal, subject to all terms, conditions, specifications, amendments, and other requirements set forth in this Notice of Solicitation and the Contract.

The Vendor shall not commence any billable work or provide any materials or services under this document until the Vendor and the City execute the Contract and the Vendor receives a formal notice to proceed from the City of Bisbee.

City of Bisbee

By _____

Date: _____

Its: _____

SPECIFICATIONS, SCOPE OF WORK OR REQUIREMENTS

The City of Bisbee is requesting proposals from qualified, professional vendors for Payroll and Human Resource Management Software. The Vendor selected would provide the necessary services, which would meet the City’s objectives:

We have the following objectives:

- To process payroll on time and accurately with minimal adjustments required by the employee or employer due to errors.
- To automate data collection and approval functions, so that common tasks or requests such as time entry, benefits enrollment/changes, address changes, pay changes can be entered directly by the employee or manager and approved electronically.
- To have a one-stop shop for all employment-related transactions: hiring, time and attendance, status changes, benefits, etc.
- To provide leaders and employees direct access to employment-related data and workforce management tools so that they can use this information in decision making.

We are looking for a solution that is:

- Intuitive to understand by administrators and end users.
- Flexible so that we can handle routine changes to our data or processes, such as adding a field, creating a report, or workflow process, with minimal outside assistance or fees.
- Requires limited support from IT function. Upgrades would be included as part of the service.

We are looking for a vendor that will:

- Provide best practices in HRMS implementation.
- Serve as our “specialist” and provide relevant technical and legal updates.
- Enable us to achieve automation and self-service more rapidly than possible under our current arrangement.
- Provide us with a seasoned implementation team that will assist us in making an orderly transition.
- Provide us with a reliable customer service center with experienced, informed staff that can respond to our questions within minutes. We would prefer an assigned service team.

System Requirements

General	
Requirements	Vendor Response
Ability to interface with our current financial system.	
Ability to import and export data from Microsoft Word, Excel and Access.	
System allows unlimited history. Does this require archiving records?	

Ability to “effective date” transactions, both in the past and future.	
System requires a single login to access all modules.	
Ability to make software adjustments or add additional customization to the software as needed.	
Ability to create, track, report and maintain history on custom fields.	
Ability to attach documentation to an employee’s record.	
Ability to create and populate Custom Fields	
Ability to store a blank electronic form.	
Ability to store completed electronic forms with an individual employee record.	
System has conditional workflow capability (ie: approve/not approve)	
System can use email to communicate with employees or administrators for the purpose of workflows.	
Ability to establish notifications or triggers within the system.	
Ability to code reasons for changes to the system.	

Security	
Requirements	Vendor Response
Ability to restrict access to specific functions, files and data elements based on user profile or workstation ID.	
Ability to restrict users from viewing and/or editing at the field level.	
Ability for the City to manage system access without relying on the Vendor.	
Ability to set up “mass” security profiles by employee group.	

Self Service	
Requirements	Vendor Response
Self-service offers “real time” integration with payroll/HR.	
Ability to customize information, reports and workflows offered through self-service to different employee groups.	
Ability to brand self-service screens.	
Ability to offer reports through manager self-service.	
Ability to access self-service from remote locations.	
Ability to establish links to other websites.	

Reporting	
Requirements	Vendor Response
Ability to create customized reports with minimal training or Vendor support.	
Ability to run reports based on past, present or future/”effective” dates.	
Ability to report or track changes made on the system with user name and date (audit report).	
Ability to create report templates.	
Ability to create custom reports using any fields available in the modules.	
Ability to save or export reports to Excel, PDF, Word, etc.	

Payroll	
Requirements	Vendor Response
System automatically calculates overtime.	
Ability to assign OT for hours worked over set number of hour for variable shift employees (police, fire)	

Ability to add additional pay in the form of lump sum payments or hours.	
Ability to see different types of premium pay listed individually on pay statement.	
Ability to pay fixed premium pay amounts on a daily, weekly or monthly basis.	
Ability to see overtime pay listed as a separate item on pay statement.	
Ability to calculate automatically OT when pay premiums are present in addition to base pay.	
Ability to calculate benefits based on base pay when premium pay is present.	
Ability to leverage past employee data for a rehire.	
Ability to easily flag or identify who is still active in the system but not receiving pay.	
Ability to store multiple rates of pay on the master file.	
Ability to handle multiple time-off accrual systems/rules.	
System automatically calculates and posts leave accruals.	
Ability to void checks by number and reversals are shown in the general ledger in "real time".	
System automatically handles garnishment calculation, prioritization and pay.	
Ability to print two signatures on the pay check.	
Ability to process pay/manual checks outside of the normal pay cycle.	

Allows data processed outside of payroll to be automatically posted to the general ledger.	
Ability to void and reissue checks.	
Allows employees to update home address, W-4s through self-service.	
Ability to handle special taxation rules for non-cash benefits such as long term disability, group life insurance, etc.	
Ability to exclude pay types from eligible earnings for calculations.	
Ability to automatically change a deduction/contribution/accrual/etc. based on anniversary date	
How does the system handle deduction roll-over balances at year-end (i.e. FSA, 401K loan, etc.)?	

Time and Attendance	
Requirements	Vendor Response
Ability to request and approve time off or leaves in advance.	
Ability to pre-populate time with approved time off, leaves and holidays.	
Allows supervisor to make changes either to the schedule or reported time.	
Time Tracking	
Ability to track hours worked by day.	
Ability to set default project codes and department codes in system.	
Ability to set a time frame and review both days and hours worked for FMLA, Workers Comp, mid period pay changes.	

Ability for managers to view, for a specified period of time, hours worked by employee, budget code, project code, organization level and/or pay type.	
Ability for employees and managers to record employee time in the system and import time from time clocks	
Approvals	
Allows for multiple individuals to approve time electronically.	
Allow approvers to temporarily delegate their approving authority when they're on vacation.	
System generates automatic reminders to employees to approve or enter time.	
Allows for time approval by multiple supervisors when the employee holds multiple positions.	
Ability to flag leave time, comp time and OT for approval.	
Allows manager or administrator to override time entries.	
Overtime and Pay Rules	
Allows the employee to choose compensatory time in lieu of OT and allows the employee to use compensatory time in lieu of leave.	
Ability to flag hours entered in excess of 40 when an employee is working multiple positions.	
Ability to flag supervisors when PT employees approach preset hour limits.	
Ability to handle complex pay rules with regard to overtime and specialty pay that varies by work group.	
Other	
System includes audit trail for entry changes.	
Allows time entry on-line.	
Allows managers to apply filters when viewing time entries.	

Ability to capture time remotely either through the web, phone or wireless device.	
Allows time history to be maintained.	
Allows supervisors and administrators to run exception reports.	

Human Resources	
Requirement	Vendor Response
Ability to track and run standard EEO report.	
Ability to track and organize employee data based on: <ul style="list-style-type: none"> • Department • Budget/Project Code 	
Ability for managers to update organization information online, such as reporting relationship or projects, with approval.	
Ability to support employees that hold multiple positions with different department and pay rates.	
Ability to create FTE reports.	

New Hire	
Requirement	Vendor Response
Ability to forward information from third party applicant tracking software into main HRMS system so data does not need to be reentered.	
Ability to create a new hire workflow that enables human resources to notify, assign tasks, or collect data from multiple parties in the event of a new hire.	
Ability to enter new hire data before start date or start of payroll period (effective dating).	

Allows new hires to enter information via a web portal prior to start date.	
Ability to store and sort by multiple hire dates (ie: date first hired, date first obtained “regular” employment status).	
Ability to track pre-employment process activities such as background checks.	
Ability to run a report of new hires prior to their start date.	

Employee Termination	
Requirement	Vendor Response
Ability to track termination by reason, date, rehire eligibility and COBRA election.	
Ability to archive terminated employee information indefinitely.	
Ability to enter and track performance-related notes on an existing employee.	
Ability to maintain information on property issued to an employee such laptops, keys etc.	
Ability to track multiple hire and termination data for a single employee.	
Ability to create a termination workflow that enables human resources to notify, assign tasks, or collect data from multiple parties in the event of a termination. For example, to notify and record that computer access has been disabled.	

Time Off/Leaves of Absence	
Requirements	Vendor Response
System automatically updates PTO (or vacation/sick accruals) based on pre-established criteria. Ability to assign accrual criteria (or tables) to individual or groups of employees.	

Ability for employees and managers to directly view PTO amounts earned and taken, and the dates on which the accruals were used.	
Ability for employees to request time off through self-service. Managers can approve or deny request through self-service.	
Ability for employees and managers to view future accrual balances based on a point in time.	
System automatically flags time off requests for both the manager and the employee when the employee will not have the required accrued amounts. Ability to require additional approval from human resources.	
Ability to track leave type and dates as part of each employee's record.	
Ability to produce reports on leaves by organization, department or employee.	
Ability to track FMLA by individual on a rolling calendar year.	
Ability to do multiple coding for leave hours. For example, time off could be coded both as PTO and FMLA.	
Ability to request and approve leave of absence (such as FMLA) electronically, including necessary legal notices.	
Ability to set leave accrual maximums and to flag the employee when he or she is approaching leave maximum.	

Benefits	
Requirements	Vendor Response
System updates payroll deductions on benefit election effective date.	
Ability to automatically determine eligibility based on user-defined rules such as employment status, pay plan or job code.	
Ability to automatically update premiums for age/salary driven benefit calculations.	

<p>Allows employee self-service for:</p> <ul style="list-style-type: none"> • Viewing employee's current plans and covered dependents • Viewing related information such as summary plan documents • Viewing plan comparisons • Viewing educational tutorials • Links to carrier website • Displays only the benefit plans for which the employee is eligible 	
<p>Allows for on-line enrollment for new hire, annual open enrollment and qualifying events.</p>	
<p>System saves partial benefit enrollments until completed.</p>	
<p>Ability to notify HR for approval when an election change has been made.</p>	
<p>Allows benefit costs to be set up for the new benefit plan year while still processing costs for the current year.</p>	
<p>System automatically reminds employees to enroll if they have not completed the enrollment process by a specified date.</p>	
<p>Ability to establish benefit-related workflows.</p>	
<p>Ability to tag benefits as pending/ approved/not approved when medical certification is required or qualifying event must be approved.</p>	
<p>System notifies administrator when new hire enrollment is complete.</p>	
<p>Ability to track who has completed or not completed open enrollment.</p>	
<p>System confirms enrollment or changes to benefits.</p>	
<p>Ability to archive previous enrollment history.</p>	
<p>Allows employee to calculate the monthly deduction amount based on enrollment.</p>	

Ability to create reports showing enrollment by benefit type for insurance carriers or TPAs.	
Ability to create benefit premium reports.	
Ability to run reports on dependents.	
Ability for system to feed insurance carriers Masterfile and deduction information electronically (eliminate duplicate data entry to be sent to providers)	



**Professional Services Agreement
Payroll and Human Resource Management Software**

THIS AGREEMENT is made and entered into this ____ day of _____, 2018 by and between CITY OF BISBEE, hereinafter referred to as the “City”, and _____ hereinafter referred to as the “Vendor”.

I. SCOPE OF SERVICES

Subject to the terms and conditions set forth in this agreement, Vendor shall provide all services as described in Exhibit "A" Scope of Services.

II. COMPENSATION AND METHOD OF PAYMENT

In consideration for the performance of the services described in Attachment "A" the City shall pay the Vendor _____ per month plus applicable initial setup fees.

The City will pay the Vendor following the submission of invoices(s) for the services rendered. No payment shall be issued prior to receipt of service and correct invoicing. Each invoice must bear written certification by an authorized City representative confirming the services for which payment is requested have been performed and received. The City agrees to pay all properly documented invoices, for accepted work and material within thirty (30) days of receipt.

All notices, invoices and payment shall be made in writing and may be given by personal delivery, mail or e-mail.

The designated recipients for such notices, invoices and payments are as follows:

Vendor:

City: City of Bisbee
Ashlee Coronado, City Clerk
1415 Melody Lane, Bldg G, Bisbee, AZ 85603
acoronado@bisbeeaz.gov
(520) 432-6012

III. DURATION AND RENEWAL

The Vendor shall not commence any billable work or provide any services under this Agreement until _____, which shall be the commencement date of this Agreement. The term of this Agreement is one year from the commencement date. Thereafter, this Agreement shall automatically renew for one-year terms unless either party notifies the other, in writing, at least thirty (30) days in advance of the termination date, of its intent not to renew.

IV. TERMINATION

A. The City may cancel this Agreement without penalty or further obligation pursuant to A.R.S. § 38-511 if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the City is or becomes, at any time while the Agreement or any extension of the Agreement is in effect any employee of, or vendor to any other party to this Agreement with respect to the subject matter of the Agreement. Such

cancellation shall be effective when written notice from the City is received by the parties to this Agreement, unless the notice specifies a later time.

- B. This Agreement may also be terminated at any time by mutual written consent, or by the City, with or without cause, upon giving the thirty (30) days written notice to the Vendor. The City at its convenience, by written notice, may terminate this Agreement, in whole or in part. If this Agreement is terminated, the City shall be liable only for payment under the payment provisions of this Agreement for services rendered and accepted material received by the City before the effective date of termination.
- C. The City reserves the right to cancel the whole or any part of this Agreement due to failure of the Vendor to carry out any term, promise or condition of the Agreement. The City will issue a written ten (10) day notice of default to the Vendor for acting or failing to act any of the following, in the opinion of the City:
 - 1. Vendor provides personnel who do not meet the requirements of the Agreement;
 - 2. Vendor fails to adequately perform the stipulations, conditions, or services/specifications required in the Agreement;
 - 3. Vendor attempts to impose on the City personnel, materials, products, or workmanship that is not of an acceptable quality;
 - 4. Vendor fails to furnish the required service and/or product within the time stipulated in the Agreement;
 - 5. Vendor fails to make progress in the performance of the requirements of the Agreement and/or gives the City a positive indication that Vendor will not or cannot perform to the requirements of the Agreement.

V. ENFORCEMENT, LAWS AND ORDINANCES

This agreement shall be enforced under the laws of the State of Arizona. Vendor must comply with all applicable federal, state, and local laws, ordinances, and regulations. Vendor shall ensure payment of all taxes, licenses, permits, and other expenses of any nature associated with the provision of services herein. Vendor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Vendor.

VI. INDEPENDENT VENDOR

It is clearly understood that each party shall act in its individual capacity and not as an agent, employee, partner, joint ventures, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other party for any purpose whatsoever.

The Vendor is advised that taxes or social security payments shall not be withheld from a City payment issued hereunder and that Vendor should make arrangements to directly pay such expenses, if any. The City will not provide any insurance coverage to the Vendor including Workmen's Compensation coverage.

VII. MODIFICATIONS

This Agreement may only be modified by a written amendment signed by the City and the Vendor.

VIII. WAIVER

The failure of either party of this Agreement to take affirmative action with respect to any conduct of the other which is in violation of the terms of this Agreement shall not be construed as a waiver thereof, or of any future breach or subsequent wrongful conduct.

IX. INDEMNIFICATION

To the fullest extent permitted by law, Vendor agrees to indemnify, and hold harmless the City of Bisbee, a body politic and corporate of the State of Arizona, its board members, officers, employees, agents and other officials from all claims, damages, losses, and expenses, including but not limited to attorney's fees, reasonable court costs, or other alternative dispute resolution costs arising out of, resulting from, or otherwise but for the performance or furnishing of work or services under this Agreement, provided that any such claim, damage, loss, or expense is attributable to bodily injury, sickness, disease, death, or personal injury, or property damage, including the loss of use or diminution in value resulting there from; but only to the extent caused in whole or in part by the actual or alleged negligent acts, errors, or omissions of Vendor, or anyone for whose acts Vendor may be liable. The City of Bisbee reserves the right, but not the obligation, to participate in defense without relieving Vendor of any obligation hereunder.

The amount and type of insurance required shall not in any way be construed as limiting the scope of the indemnification set forth above.

X. INSURANCE

Vendor and sub-vendors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Vendor, his agents, representatives, employees or sub-vendors.

The insurance requirements herein are minimum requirements for this Contract and in no way, limit the indemnity covenants contained in this Contract. The City in no way warrants that the minimum limits contained herein are sufficient to protect the Vendor from liabilities that might arise out of the performance of the work under this contract by the Vendor, his agents, representatives, employees or sub-vendors and Vendor is free to purchase additional insurance as may be determined necessary.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Vendor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

General Aggregate	\$1,000,000
Products - Completed Operations Aggregate	\$ 500,000
Personal and Advertising Injury	\$ 500,000
Blanket Contractual Liability – Written & Oral	\$ 500,000

Each Occurrence \$ 500,000

- a. The policy shall be endorsed to include the following additional insured language:
"The City of Bisbee, its departments, agencies, boards, officers, officials, agents and employees shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Vendor".

2. Worker's Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$500,000
Disease - Each Employee	\$500,000
Disease - Policy Limit	\$500,000

- a. This requirement shall not apply when a vendor or sub-vendor is exempt under A.R.S . 23-901, AND when such vendor or sub-vendor executes the appropriate sole proprietor waiver form. (Note: this requirement is deemed waived based on the Vendor's warrant that Vendor is a single-member LLC with no employees and treated as a sole proprietorship for insurance purposes).

3. Professional Liability (Errors and Omissions Liability)

The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Services of this contract.

Each Claim	\$ 500,000
Annual Aggregate	\$1,000,000

- a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Vendor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this contract is completed.
- b. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.
- c. The policy shall be endorsed to include the following additional insured language:
"The City of Bisbee, its departments, agencies, boards, officers, officials, agents and employees shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Vendor, involving automobiles owned, leased, hired or borrowed by the Vendor".

B. ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the City of Bisbee is named as an additional insured, the City of Bisbee shall be an additional insured to the full limits of liability purchased by the Vendor even if those limits of liability are in excess of those required by this Contract.

Vendor shall provide the City with certificates naming it as an additional insured.

2. The Vendor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
 3. Coverage provided by the Vendor shall not be limited to the liability assumed under the indemnification provisions of this Contract.
- C. NOTICE OF CANCELLATION: With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the City of Bisbee. Such notice shall be sent directly to City of Bisbee, 1415 Melody Lane Bldg. G, , Bisbee, Arizona 85603.
- D. ACCEPTABILITY OF INSURANCE: Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Arizona and with an "AM.

Best" rating of not less than A- VII. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Vendor from potential insurer insolvency.

- E. VERIFICATION OF COVERAGE: Vendor shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the City before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to the City of Bisbee, 1415 Melody Lane Bldg. G, Bisbee, Arizona 85603. The City project/contract number and project description shall be noted on the certificate of insurance. The City reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

- F. SUB-VENDORS: Vendor's certificate(s) shall include all sub-vendors as additional insured's under its policies or Vendor shall furnish to the City separate certificates and endorsements for each sub-vendor. All coverage's for sub-vendors shall be subject to the minimum requirements identified above.
- G. APPROVAL: Any modification or variation from the insurance requirements in this Agreement shall be made by the Contracting Agency in consultation with the Risk Management Department, whose decision shall be final. Such action will not require a formal Agreement amendment, but may be made by administrative action.

XI. MISCELLANEOUS PROVISIONS

- A. No assignment of this Agreement or sub-agreement shall be made by the Vendor with any other party for furnishing any of the services herein contracted for without the

advance written approval of the City of Bisbee. All sub-vendors shall comply with Federal and State laws and regulations which are applicable to the services covered by the sub-agreement and shall include all the terms and conditions set forth herein which shall apply with equal force to the sub-agreement, as if the sub-vendor were the Vendor referred to herein. The Vendor is responsible for Agreement performance whether or not sub-vendors are used.

- B. The Vendor shall establish and maintain procedures and controls that are acceptable to the City for the purpose of assuring that no information contained in its records or obtained from the City or from others in carrying out its functions under the Agreement shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Agreement. Persons requesting such information must be referred to the City.
- C. All services, information, computer program elements, reports, and other deliverables which may have a potential patent or copyright value and which are created under this Agreement shall be the property of the City and shall not be used by the Vendor or any other person except with the prior written permission of the City.
- D. This Agreement is subject to the provisions of A.R.S. § 38-511.
- E. The Vendor shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable Federal regulations under the Act.

XII. LEGAL ARIZONA WORKES ACT COMPLIANCE

Vendor hereby warrants that it will at all times during the term of this Agreement comply with all federal immigration laws applicable to Vendor's employment of its employees, and with the requirements of A.R.S. § 23-214(A) (together the "State and Federal Immigration Laws"). The Vendor shall further ensure that each sub-vendor who performs any work for the Vendor under this Agreement likewise complies with the State and Federal Immigration Laws.

The City shall have the right at any time to inspect the books and records of the Vendor and any sub-vendor in order to verify such party's compliance with the State and Federal Immigration Laws.

Any breach of the Vendor's or any sub-vendor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Agreement subject the Vendor to penalties up to and including suspension or termination of this Agreement. If the breach is by a sub-vendor, and the sub-agreement is suspended or terminated as a result, the Vendor shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the sub-agreement or retain a replacement sub-vendor, (subject to City approval if MWBE preferences apply) as soon as possible so as not to delay project completion.

The Vendor shall advise each sub-vendor of the City's rights, and the sub-vendor's obligations, under this Section by including a provision in each sub-agreement substantially in the following form:

“The sub-vendor hereby warrants that it will at all times during the term of this Agreement comply with all federal laws applicable to the sub-vendor’s employee and the requirements of A.R.S. § 23-214(A). The sub-vendor further agrees that the City may inspect the sub-vendor’s books and records to insure that the sub-vendor is in compliance with these requirements. Any breach of this paragraph by the sub-vendor will be deemed to be a material breach of this Agreement subjecting the sub-vendor to penalties up to and including suspension or termination of this Agreement.”

Any additional costs attributable directly or indirectly to remedial action under this Section shall be responsibility of the vendor. In the event that remedial action under this Section results in delay to one or more tasks on the critical path of the vendor's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which the Vendor shall be entitled to an extension of time, but not costs.

This Agreement represents the entire agreement between the CITY and the VENDOR relating to this requirement and shall prevail over any and all previous verbal and written agreements.

VENDOR:

APPROVED BY:

_____ Date

David M. Smith, Mayor _____ Date

ATTEST:

APPROVED AS TO FORM:

Ashlee Coronado, City Clerk _____ Date

Britt Hanson, City Attorney _____ Date