

**REQUEST FOR PROPOSAL
NON-PROFESSIONAL SERVICES**



Issue Date: January 14, 2019

RFP# 2019003-FN-NP

Title: Investment Management Services

Issuing Agency: Albemarle ACSA Service Authority
168 Spotnap Road
Charlottesville, VA 22911

Period of Contract: N/A

Sealed Proposals Will Be Received Until 3:00 p.m. E.S.T. on February 12, 2019 For Furnishing The Services Described Herein. Proposals received after the announced time and date for receipt will remain unopened. **No telephoned, faxed, or emailed proposals will be considered.**

The face of the envelope or shipping container shall be clearly marked in the lower left-hand corner as follows:

RFP#:	2019003-FN-NP
TITLE:	Investment Management Services
PROPOSAL DUE:	February 12, 2019

All Inquiries For Information Should be Submitted in Writing and Be Directed To: Quin G Lunsford, Director of Finance, at QLunsford@serviceauthority.org or by Fax: 434-979-0698.

PROPOSALS MUST BE SHIPPED/MAILED, OR HAND DELIVERED TO THE ADDRESS SHOWN ABOVE.

PREPROPOSAL CONFERENCE: N/A

By my signature on this solicitation, I certify that this firm/individual and subcontractor is properly licensed for providing the goods/services specified.

Name and Address Of Firm:

Zip Code: _____

Date: _____

By: _____

(Signature In Ink)

Telephone Number: (____) _____

Name: _____

Fax Number: (____) _____

(Please Print)

E-mail Address: _____

Title: _____

I have the authority to bind the corporation.

SMALL, WOMAN, MINORITY AND SERVICE DISABLED VETERAN-OWNED BUSINESS: YES; NO
IF YES ⇒ ⇒ SMALL; WOMAN; MINORITY; SERVICE DISABLED VETERAN-OWNED

This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, § 2.2-4343.1 or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

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- I. **PURPOSE:** The Albemarle County Service Authority (ACSA) invites qualified firms with experience in providing investment management services to submit responses to the request for proposals. Services may include, but are not limited to, a review of current investments and ongoing investment management services. The ACSA will select a firm or individual to provide the services requested using the Competitive Negotiation Procedure for Non-Professional Services as outlined in the Virginia Public Procurement Act. The ACSA intends to award a five (5) year contract with up to five (5) additional one (1) year renewal options, for up to a potential ten (10) year contract.
- II. **BACKGROUND:** The Albemarle County Service Authority (ACSA) was created by a resolution of the Board of Supervisors (BOS) of Albemarle County, Virginia (the County) in April 1964. The ACSA is chartered by the State Corporation Commission and is an independent public body responsible for undertaking projects as may be specified for the distribution and sale of potable water to retail customers and for the collection of wastewater from retail customers and delivery of such wastewater to the Rivanna Water and Sewer Authority (RWSA). The management of the Authority is vested in a board of six members appointed by the County's BOS.

At June 30, 2018, the ACSA's investment portfolio consisted of four U.S. Agency bonds (FHLB, FNMA, FFCB) with a fair value of \$3,919,050, a money market account totaling \$731,853, and investment in the Local Government Investment Pool (LGIP) totaling \$28,062,015.

III. **SCOPE OF SERVICES:**

- A. The Code of Virginia contains various requirements designed to safeguard state and local funds. All pooled investments shall be in compliance with the Code of Virginia 2.2-4400 et seq and 2.22-4500 et seq. Additionally, the ACSA follows internal investment policies developed in accordance with the statutes of the Commonwealth of Virginia (attached herein as Attachment F). The ACSA's objective is to obtain the best possible return on investments consistent within the underlying criteria of liquidity and safety of principal.
- B. The contractor shall provide investment management and advisory services that will meet and exceed the ACSA's investment objectives of preservation of capital, flexibility, and adherence to the highest accounting and management practices as set by the Government Accounting Standards Board (GASB) and the Government Finance Officers' Association (GFOA).
- C. At a minimum, the contractor shall provide the following:
1. **Initial Overview**
 - Perform a formal review of the ACSA's investment policies, guidelines, and liquidity needs;
 - Perform a formal review of current investment and overall investment strategy; and
 - Assist with identification and selection of custodial bank searches.
 2. **Portfolio Planning:**
 - Perform cash flow analysis to identify the portion of the portfolio needed for liquidity purposes and the "core" that could be invested for a longer term;
 - Assist the ACSA in establishing an appropriate investment strategy which meets the goals of the investment policy, while adhering to its constraints;
 - Assist the ACSA in selecting appropriate benchmark(s) that reflect the level of risk and cash flow requirements in a managed portfolio.

3. **Active Management/On-Going Services:**
 - Monitor the ACSA's portfolio and provide monthly statements, detailing holdings and transactions.
 - Provide quarterly performance reporting and analysis, including comparison to mutually agreed upon national and regional benchmarks, along with documentation that at least three bids have been solicited for any security purchased or sold on behalf of the ACSA;
 - Review performance via quarterly meetings (or as needed);
 - Perform on-going monitoring of portfolio investments and overall strategies;
 - Periodically perform cash flow analysis to re-evaluate appropriate allocation to core and liquidity portfolios;
 - Re-balance assets as needed;
 - Periodically review investment policy and make recommendations for changes, as deemed appropriate;
 - Provide on-going education services and investment research for the ACSA;
 - Provide annual reporting in accordance with GASB requirements for inclusion in the ACSA's Comprehensive Annual Financial Report (CAFR); and
 - All reports shall be provided electronically, via email or secure web-based portal hosted by the Contractor.
4. The Contractor shall provide a timeline and schedule of tasks required by the ACSA.
5. The Contractor shall maintain a list of approved security brokers/dealers, selected by credit worthiness, which are authorized to provide investment services in the Commonwealth of Virginia.
6. The Contractor shall not collect any soft dollar fees from any broker/dealer or other financial firm in relation to services provided to the ACSA.
7. The Contractor shall recommend at least three entities for ACSA's selection to provide third party custody services as required by the Code of Virginia. Should the ACSA reject those selections, the Contractor may be required to submit alternative recommendations of new firms for ACSA's review and selection.
8. Any new services and/or related services offered by the Contractor shall be made available to the ACSA, with associated costs for the services to be negotiated at the time of the service offer.

IV. PROPOSAL PREPARATION AND SUBMISSION INSTRUCTIONS:

A. INSTRUCTION FOR PROPOSAL SUBMISSION:

1. **RFP Response:** In order to be considered for selection, offerors must submit a complete response to this RFP. One (1) original and five (5) copies of each proposal along with an electronic copy of the proposal on CD or USB drive, either in Microsoft Word or PDF format must be submitted to the ACSA as a complete sealed proposal to:

Albemarle County Service Authority
168 Spotnap Rd.
Charlottesville, VA 22911

2. The offeror's proposal shall address the below areas, not exceeding the stated page limitations. The proposal shall be limited to the page size of 8 ½" x 11", single space and type shall not be less than 10-point font for each response item. Note for page-counting purposes, a page equals a one-sided sheet. If a page limit is not noted within the section below there is no page limit.
3. The exterior of the envelope or package shall indicate the name of the Offeror, the scheduled RFP opening date and time, and the number of the Request for Proposals (RFP # 2019003-FN-NP) The ACSA and its officers, employees, or agents shall 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.
4. The original and copies of the proposals shall be labelled appropriately.
5. Timely submission of the proposal is solely the responsibility of the offeror. Proposals received after the specified date and time will be rejected. ACSA is not responsible for delivery attempts by vendors or misdirected to other offices within the ACSA.
6. Proposals and all documents related to this solicitation submitted to the ACSA by an offeror or a prospective offeror shall, upon receipt by the ACSA, become the property of the ACSA.
7. Electronically submitted proposals or those submitted unsealed will not be accepted.

B. Proposal Preparation and Organization

2. **Proposal Preparation:** Proposals shall be signed by an authorized representative of the offeror. All information requested should be submitted. Failure to submit all information requested may result in the ACSA requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete, or lack key information may be rejected by the ACSA. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.

Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

Proposals should be tabbed and organized as described herein. Failure to do so may result in a lower evaluation of the Proposal.

C. **Proposal Preparation and Organization**

1. **Table of Contents:** The Table of Contents shall indicate the material included in the Proposal by Tab and page number.
2. **Proposal Form:** Proposal Form must be fully completed and signed and submitted as the first tab in the proposals or the proposals could be deemed non-responsive.
3. **Executive Summary** (max. two (2) pages): Provide a narrative, prepared in nontechnical terms, summarizing offer's proposal. The executive summary shall identify what sets their firm's services apart from the competition and allows the offeror to generate superior performance and service level. Additionally, the executive summary shall provide a fee structure summary for the proposed services.
4. **Firm's Experience and Capacity** (max. four (4) pages, excluding items g and h): The offeror shall submit detailed description of their overall capabilities, capacity and proposed approach for accomplishing the services specified herein. Additionally, offerors shall address the following under this tab:
 - a. Please provide your firm's experience in providing the type of investment management services described in this solicitation, including the number of years that the firm has been engaged in these services (**max. one (1) page**)
 - b. Please describe your client base, including types of clients served, the number of local jurisdictions (within and outside of Commonwealth of Virginia) for which your organization currently provide services, the length of time of services and the range of asset values among your local government clients (**max. half (0.5) page**)
 - c. Please disclose any and all conflicts of interest your organization has in serving as the ACSA's investment management consultant. Disclose whether your firm has any financial or other affiliation with other brokerage firms, banks, insurance companies, investment banking firms, or money management firms. If any such affiliations exist, how does the firm protect against conflict of interest? (**max. half (.05) page**)
 - d. Is the offeror willing to disclose upon the ACSA's request, the dollar amount and nature of all material beneficial relationships that the offeror and or any affiliate firm, engages in with the investment manager clients? If not, please explain the rationale. (**max. half (0.5) page**)
 - e. Describe any material litigation, regulatory, or legal proceedings in which, your firm or any of the principals are or have been involved over the past five (5) years. Specifically highlight this information for the staff that will be assigned under resultant contract. (**max. half (0.5) page**)
 - f. Describe the firm's experience in investment advisory services, and any significant contribution the firm has made in developing and refining "best practices" in the investment consultancy industry. (**max. one (1) page**)
 - g. Provide a copy of the firm's audited financial statements for the past two (2) years, as well as the firm's SEC form ADV, Part II. If applicable, provide documentation for the nature of exemption from registration. (**no limit**)
5. **Investment Process** (max. five (5) pages)
 - a. Offerors shall detail their "investment philosophy" and process for analyzing the ACSA's portfolio structure and what immediate modifications they would recommend. How active is your management approach? (**max. half (0.5) page**)
 - b. If applicable, outline any exception to the ACSA's current Investment Policy (**max. half (0.5) page**)
 - c. Describe your manager due diligence/research process. How often would your staff meet with the ACSA (onsite and virtual). (**max. half (0.5) page**)
 - d. Describe the firm's investment decision making process in terms of structure (committees, membership, meeting frequency, responsibilities, integration of research ideas and portfolio management, etc.) (**max. half (0.5) page**)
 - e. Describe how your firm performs credit worthiness tests. (**max. half (0.5) page**)

- f. Describe procedures utilized to ensure that portfolio recommendations comply with organization guidelines, investment objectives and guidelines, arbitrage regulations and Code of Virginia. **(max. half (0.5) page).**
 - g. Discuss the theory and methodology of your asset allocation modeling process. What type of software/platform system is currently being utilized? Was the system developed in-house or externally **(max. half (0.5) page).**
 - h. How are your capital market projections derived? How is that information used to develop investment strategies for the ACSA?
 - i. Address how you would structure the custody of ACSA investment assets. Would an internal, external, or blended approach be used? **(max. one (1) page)**
6. **Performance Reporting** (max. six (6) pages)
- a. Comment on your process for providing performance measurement reports to suit the needs of the ACSA **(max. half (0.5) page, plus one-page allowance for a sample)**
 - b. How frequently do you plan to provide investment performance measurement reports to the ACSA? When are reports available after the end of each month/quarter? Can the ACSA access performance reporting on a secure website? **(max. half (0.5) page)**
 - c. Describe the performance measurement software your firm uses. Is the software proprietary, or does your firm utilize the software of an outside vendor? If your firm uses non-proprietary software, do you have the ability to influence changes to the software to customize reports to meet the ACSA's needs **(max. half (0.5) page).**
 - d. Please describe how you monitor performance of investment managers. Specifically, what types of reports would you use? **(max. half (0.5) page).**
 - e. Describe the performance attribution analysis services you could provide. **(max. one (1) page)**
 - f. Provide, as an appendix, sample copies of portfolio reports that would be provided to the ACSA. **(No limit)**
 - g. Provide results of a similar sized client portfolio and compare those ROI results to LGIP/VML(VIP) funds for 2016, 2017, and 2018. **(max. two (2) pages)**
7. **Custody Services**
- a. ACSA will use a third-party custody service as required by the Code of Virginia. Please describe any custody service relationships that your firm can provide **(max. two (2) pages)**
8. **Staff Experience**
- a. Provide a brief history of the firm, indicating size, structure, number of years in business and year in which the firm was registered with the Securities Exchange Commission. Elaborate on any changes in the ownership and structure of the firm the past five (5) years. **(max. two (2) pages)**
 - b. Provide the location of the office that will serve the ACSA and biographies of the key consulting personnel assigned to the ACSA's account. Please identify who would be the ACSA's main representative, who would perform the analytical work, and who would serve as the back-up consultant in situations when the proposed lead consultant could not attend a meeting. What is the average number of client relationships per consultant? **(max. one (1) page).**
 - c. Provide detailed information about the support professionals who would be responsible for the ACSA's account. Explain how the team dedicated to our account would function. Indicate any local government asset management expertise. List any senior staff departures in the past two (2) years and explain the reason for those departures. **(max. one (1) page)**
 - d. Is your firm a registered investment advisor under the Investment Advisor Act of 1940? Can your firm provide fiduciary services to its clients? **(max. half (0.5) page).**
 - e. Describe any censure or litigation by SEC or any other regulatory agency involving firm, or any personnel currently employed by the firm, but employed by a different during such action. **(max. half (0.5) page)**

- f. Elaborate on the firm’s experience in managing reserve funds in accordance with the Code of Virginia. Provide a list of the firm’s total assets currently under management in accordance with the Virginia Investment Public Funds Act. **(max. one (1) page).**
 - g. Describe the firm’s compensation policies for investment professionals.
 - h. What is your quality standard for returning telephone calls and/or emails?
9. **Client References** (max. one (1) page): Please provide four client references applicable to this RFP whom we can contact. Include the contact name, title, address, telephone, e-mail, the length of time providing services and the level of assets under management.
10. **Fee Proposal** (max. five (5) pages): Please describe the fees proposed by your organization for providing investment management services for the ACSA. Fully itemize all fees, if any, for the following:
- a. Advisory – Percentage of assets or hard dollar
 - b. Investment manager fees, investment manager revenue share, directed brokerage, soft dollar fees
 - c. Conversion fee
 - d. Transferring assets from one fund/manager to another
 - e. Other transaction fees
 - f. Travel/Training
 - g. Other administrative

If there are additional fees to be charged as a result of performing services related to preparing or modifying the ACSA’s Investment Policy, asset allocation analysis, or conducting manager searches, please describe those fees in detail.

Do you receive any 12b-1 fees or other compensation or revenue share from any investments that are or will be contained in our account and, if so, are they used to reduce our costs?

11. **Acceptance of Conditions**: The Offeror shall indicate its acceptance of the requirements, terms, and conditions set forth in the RFP, including all addenda issued pursuant to the RFP. The Offeror shall indicate any exceptions it is taking with regard to any requirements or terms and conditions set forth in the RFP, including an explanation of why such exception, revision, or addition is needed. Failure to identify any exceptions, revisions, or additions waives any later objections.
12. **Appendices**: The content of this tab is left to the Offeror’s discretion. However, the Offeror should limit materials included here to those that will be helpful to the ACSA in understanding the services proposed. Illustration of some of the items that shall be included under this include, but is not limited to:
- a. Sample Forms
 - b. CIMA License
 - c. Proof of registration under Investment Advisors Act of 1940
 - d. Proof of federal and state investment advisors registration/license; and
 - e. Any other information deemed appropriate for rendering services under this RFP.
13. **Acknowledgment of Insurance Requirements**
- a. The Offeror, by signing and including the ACSA’s checklist form in its Proposal, acknowledges that it has read and understands the insurance requirements for the RFP.
 - b. The Offeror also acknowledges that evidence of required insurance coverage must be submitted within ten (10) business days following notification of his/her Proposal being accepted and that the ACSA may rescind its acceptance of the Offeror’s Proposal upon the Offeror’s failure to promptly provide the evidence of insurance.

V. EVALUATION AND AWARD CRITERIA: This section is in two parts. The first part, “Evaluation Criteria,” explains how the proposals will be evaluated. The second part is the “Award of Contract” clause that states how the award will be made.

A. EVALUATION CRITERIA: Proposals shall be evaluated by the ACSA using the following criteria:

	<u>Criteria</u>	<u>Points</u>
1	Ability to meet or exceed all requirements as contained herein	35
2	Demonstrated understanding of work to be performed	15
3	Credentials and related experience for firm and key staff	30
4	Cost of services	20

B. AWARD OF CONTRACT: The selection process shall be as per *Virginia Code 2.2-4301(3)(b)* for the procurement of non-professional services. Selection shall be made of two or more offerors deemed to be fully qualified and best suited among all the offerors on the basis of the evaluation criteria, including price. Negotiations shall then be conducted with each of the offerors so selected. Price shall be considered but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, the Executive Director or Purchasing Agent shall select the offeror which in their opinion has made the best proposal, and shall award the contract to that offeror. Should the Executive Director or the Purchasing Agent, as appropriate, determine in writing and in their 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.

VI. PREPROPOSAL CONFERENCE: N/A

VII. GENERAL TERMS AND CONDITIONS:

A. ADVERTISING: In the event a contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to the ACSA will be used in product literature or advertising. The contractor shall not state in any of its advertising or product literature that the ACSA has purchased or uses any of its products or services, and the contractor shall not include the ACSA in any client list in advertising and promotional materials, unless the contractor has been given written permission by an ACSA representative who is authorized to sign on behalf of the ACSA.

B. ANNOUNCEMENT OF AWARD: Public notice of the award of this contract, or the announcement of the decision to award this contract, shall be given in the following manner: posting of a written notice on the ACSA webpage at www.serviceauthority.org.

- C. NON-DISCRIMINATION: By submitting their proposals, offers certify to the ACSA that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginias with Disabilities Act, the Americans with Disabilities Act and *Virginia Code* § 2.2-4311. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipients religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Virginia Code* § 2.2.4343.1(E)).

Every contract over \$10,000 shall include the provisions:

1. During the performance of this contract, the contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability or any other basis prohibited by law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 2. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, shall state that it is an equal opportunity employer.
 3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.
2. The contractor will include the provisions of No. 1 above in every subcontract or purchase order over \$10,000, so that the provision will be binding upon each subcontractor or vendor.

- D. NON-DISCRIMINATION OF CONTRACTORS: A bidder, offeror, or contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the ACSA has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

- E. NON-DISCRIMINATION OF FAITH-BASED ORGANIZATIONS: The ACSA does not discriminate against faith-based organizations.

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

- G. APPLICABLE LAWS & COURTS: This procurement transaction, and any resulting contract, shall in all aspects be governed by the laws of the Commonwealth of Virginia, notwithstanding conflicts of laws, provisions and any litigation with respect thereto shall be brought in the Circuit Courts of Albemarle County, Virginia. The ACSA and the contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using the dispute resolution process contained within the Albemarle County Service Authority Purchasing Manual, Chapter 26-3. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.

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

- I. AVAILABILITY OF FUNDS: It is understood and agreed between the parties herein that the ACSA shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.
- J. PROPOSAL ACCEPTANCE: Proposals must be submitted by the date and time stated in this solicitation. Proposals will be date and time stamped upon receipt and retained unopened in a secure location until proposal opening. No consideration will be given to date of postmark or error in delivery to incorrect address. It is the responsibility of the offeror to ensure timely and correct delivery of proposal.
- K. PROPOSAL ACCEPTANCE PERIOD: Each proposal submitted must be and remain valid for a period of at least sixty (60) days from opening date.
- L. CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:
1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract. No fixed price contract may be increased by more than twenty percent (25%) or \$50,000, whichever is greater, of the amount of the contract without the advance approval of the ACSA Finance Director or designee, and under no circumstances may the amount of this contract be increased, without adequate consideration, for any purpose (including, but not limited to, relief of the Contractor from the consequences of an error in its bid or offer).
 2. The ACSA may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the ACSA a credit for any savings. Said compensation shall be determined by one of the following methods:
 - a. By mutual agreement between the parties in writing; or
 - b. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the ACSA's right to audit the contractor's records and/or to determine the correct number of units independently; or
 - c. By ordering the contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the ACSA with all vouchers and records of expenses incurred and savings realized. The ACSA shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the ACSA within thirty (30) days from the date of receipt of the written order from the ACSA. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the contractor from promptly complying with the changes ordered by the ACSA or with the performance of the contract generally.

- M. **CLARIFICATION OF TERMS:** The ACSA will assume no responsibility for oral instructions, suggestion or interpretation. Any question regarding the proposal documents and/or scope of work/specifications shall be directed to the Finance Department and any material change will be submitted to all offerors through issuance of an addendum. **Any questions related to this RFP MUST be submitted to the Finance Department no fewer than seven (7) work days prior to the proposal opening date specified.** Questions should be in writing and electronic transmission is preferred. Questions submitted beyond the time specified above may be left unanswered if sufficient time does not allow a response to all prospective offerors without causing an unacceptable delay in the process. Any contact with any ACSA representative, other than that outlined within this solicitation, concerning this RFP is prohibited. Such unauthorized contact may disqualify your firm from this procurement.
- N. **CONFIDENTIALITY OF PERSONALLY IDENTIFIABLE INFORMATION:** The contractor assures that information and data obtained as to personal facts and circumstances related to patients or clients will be collected and held confidential, during and following the term of this agreement, and will not be divulged without the individual's and the ACSA's written consent and only in accordance with federal law or the Code of Virginia. Contractors who utilize, access, or store personally identifiable information as part of the performance of a contract are required to safeguard this information and immediately notify the ACSA of any breach or suspected breach in the security of such information. Contractors shall allow the ACSA to both participate in the investigation of incidents and exercise control over decisions regarding external reporting. Contractors and their employees working on this project may be required to sign a confidentiality statement.
- O. **CONTRACTOR'S FORMS/BOILERPLATE CONTRACTS:** All written agreements, contracts, service agreements, account applications, forms and other documents, of any nature, that the Contractor would require the ACSA to sign in connection with any contract resulting from this procurement transaction, or the performance thereof by the Contractor, must be submitted along with the Contractor's proposal. Under no circumstances shall the ACSA be required to agree to any contractual provision (i) that would materially conflict with any provision of this request for proposals, (ii) that would affect the price, quality, quantity or delivery schedule for any goods or services, or (iii) that would, in the ACSA's sole discretion, materially alter the overall combination of quality, price and various elements of required services that in total are optimal relative to the ACSA's needs, and the Contractor shall not condition its performance or delivery upon any such agreement by the ACSA.
- P. **CONTRACTUAL CLAIMS:** Contractual claims, whether for money or other relief, shall be submitted in writing no later than 60 days after final payment; however, written notice of the contractor's intention to file a claim shall be given at the time of the occurrence or beginning of the work upon which the claim is based. The ACSA has established an administrative procedure for consideration of contractual claims, and a copy of such procedure is available upon request from the ACSA's Finance Department. Contractual disputes shall also be subject to the provisions of *Virginia Code* §2.2-4363(D) and (E) (exhaustion of administrative remedies) and §2.2-4364 (legal actions).
- Q. **DEBARMENT STATUS:** By submitting their proposals, offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.
- R. **DEFAULT:** In case of failure to deliver goods or services in accordance with the contract terms and conditions, the ACSA, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the ACSA may have.
- S. **DESIGNATED PERSONNEL:** The personnel designated in the management summary for key positions shall not be changed except with the permission of the ACSA. Contractor may not substitute other staff or individual(s) without the prior, express written consent of the ACSA. The ACSA shall not be required to consent or accept any substitution(s) if to do so would require an increase in the compensation due the Contractor under this Agreement, or a reduction in the quantity or quality of the Service by this Agreement, as determined in the ACSA's sole discretion.

- T. **DRUG-FREE WORKPLACE**: Pursuant to *Virginia Code* § 2.2-4312, during the performance of this contract the contractor agrees as follows: (i) to provide a drug-free workplace for the contractor’s employees; (ii) to post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor’s workplace and specifying the actions that will be taken against employees for violations of such prohibition; and (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor. For the purposes of this paragraph, “drug-free workplace” means a site for the performance of work done in connection with the contract awarded to a contractor in accordance with this procurement transaction, where the contractor’s employees 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.
- U. **ETHICS IN PUBLIC CONTRACTING**: Pursuant to *Virginia Code* § 2.2-4367: By submitting a proposal, the offeror certifies that their proposal is made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.
- V. **HEADINGS**: Section, article and paragraph headings contained within this Request for Proposals have been inserted only as a matter of convenience and for reference, and they in no way define, limit, or describe the scope or intent of any term, condition or provision of this Request for Proposals.
- W. **IDLING REDUCTION REQUIREMENT**: For any work performed within the City of Charlottesville, contractors are required to comply with the City of Charlottesville’s Idling Reduction Policy for Motor Vehicles and Equipment, policy number 100-12. This policy is available at www.charlottesville.org/purchasing under the Vendor Registration link.
- X. **IMMIGRATION REFORM AND CONTROL ACT OF 1986**: By entering into a written contract with the ACSA, the Contractor certifies that the Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- Y. **INCLEMENT WEATHER/CLOSURE OF ACSA OFFICES**: If the ACSA is closed for business at the time scheduled for proposal opening, for whatever reason, sealed proposals will be accepted and opened on the next scheduled business day, at the originally scheduled time.
- Z. **INDEMNIFICATION**: Pursuant to Virginia law, the ACSA may not indemnify any party for any purpose. Any provisions in this agreement providing to the contrary are hereby deleted.
- AA. **OSHA STANDARDS**: All contractors and subcontractors performing services for the ACSA are required and shall comply with all Occupational Safety and Health Administration (OSHA), State and ACSA Safety and Occupational Health Standards and any other applicable rules and regulations. Also, all contractors and subcontractors shall be held responsible for the safety of their employees and any unsafe acts or conditions that may cause injury or damage to any persons or property within and around the work site area under this contract.

BB. OWNERSHIP OF DOCUMENTS: All information, documents, and electronic media furnished by the ACSA to the Contractor belong to the ACSA, are furnished solely for use in connection with the Contractor's performance of Services required by this Agreement, and shall not be used by the Contractor on any other project or in connection with any other person or entity, unless disclosure or use thereof in connection with any matter other than Services rendered to the ACSA hereunder is specifically authorized in writing by the ACSA in advance. All documents or electronic media prepared by or on behalf of the Contractor for the ACSA are the sole property of the ACSA, free of any retention rights of the Contractor. The Contractor hereby grants to the ACSA an unconditional right of use, for any purpose whatsoever, documents or electronic media prepared by or on behalf of the Contractor pursuant to this Agreement, free of any copyright claims, trade secrets, or any other proprietary rights with respect to such documents.

CC. PAYMENT:

1. To Prime Contractor:

- a. The ACSA shall promptly pay for completed delivered goods or services by the required payment date. The required payment date shall be either: (i) the date on which payment is due under the terms of a contract for the provision of goods or services, or (ii) if a date is not established by contract, not more than 45 days after goods or services are received or not more than 45 days after an invoice is rendered, whichever is later. Separate payment dates may be specified for contracts under which goods or services are provided in a series of partial executions or deliveries to the extent that the contract provides for separate payment for partial execution or delivery. Within 20 days after the receipt of an invoice for goods or services, the ACSA shall notify the supplier of any defect or impropriety that would prevent payment by the required payment date. In the event that the ACSA fails to make payment by the required payment date, the ACSA shall pay any finance charges assessed by the supplier that shall not exceed one percent per month. In cases where payment is made by mail, the date of postmark shall be deemed to be the date payment is made.
- b. Individual contractors shall provide their social security numbers, and proprietorships, partnerships, and corporations shall provide the ACSA with a federal employer identification number, prior to receiving any payment from the ACSA.
- c. Invoices for items ordered, delivered and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the ACSA contract number and/or purchase order number.
- d. All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the contractor at the contract price, regardless of which ACSA department is being billed.
- e. Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the ACSA shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an ACSA department of its prompt payment obligations with respect to those charges which are not in dispute (*Virginia Code § 2.2-4363*).

2. To Subcontractors:

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

DD. PAYMENT TERMS: Proposal must clearly state payment terms desired. Such terms as proposed shall be negotiable.

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

FF. PRECEDENCE OF TERMS: The following General Terms and Conditions: APPLICABLE LAWS AND COURTS, ANTI-DISCRIMINATION, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTROL ACT OF 1986, DEBARMENT STATUS, ANTITRUST, MANDATORY USE OF ACSA FORM AND TERMS AND CONDITIONS, CLARIFICATION OF TERMS, PAYMENT shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

GG. PUBLIC INSPECTION OF CERTAIN RECORDS: Except as otherwise provided, and in accordance with *Virginia Code* §2.2-4342, all proceedings, records, contracts and other public records relating to the ACSA's procurement transactions shall be open to the inspection of any citizen, or any interested person, firm or corporation, in accordance with the *Virginia Code* §2.2-3700 et seq. Any offeror, upon request, shall be afforded the opportunity to inspect proposal records within a reasonable time after interviews and negotiations are completed, but prior to award, except in the event the ACSA decides not to accept any of the proposals and to reopen the contract. Otherwise, proposal records shall be open to public inspection only after award of the contract. Trade secrets or proprietary information submitted by an offeror in connection with this procurement transaction shall not be subject to the Virginia Freedom of Information Act, but only if the offeror (i) invokes the protections of *Virginia Code* §2.2-4342 prior to or upon submission of the data or other materials; (ii) identifies the specific data or other materials to be protected, and (iii) states the reasons why protection is necessary. A general designation of a contractor's entire proposal submission as being "confidential" shall not be sufficient to invoke the protections referenced above.

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

II. RIGHT TO ACCEPT OR REJECT OFFERORS: The ACSA reserves the right to accept or reject any or all proposals in whole or in part.

- JJ. SMALL BUSINESS SUBCONTRACTING AND EVIDENCE OF COMPLIANCE: It is the policy of the ACSA to facilitate the establishment, preservation and strengthening of small businesses and businesses owned by women and minorities and service disabled veterans and to encourage their participation in the ACSA's procurement activities. Toward that end the ACSA encourages these firms to compete and encourages other firms to provide for the participation of these firms through partnerships, joint ventures, subcontracts or other contractual opportunities. Offerors are asked, as part of their submission, to describe any planned use of such business in fulfilling this contract.
- KK. STATE CORPORATION COMMISSION IDENTIFICATION NUMBER: Pursuant to the *Virginia Code* §2.2-4311.2 (B), a bidder or offeror organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its bid or proposal the identification number issued to it by the State Corporation Commission (SCC). Any bidder or offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law is required to include in its bid or proposal a statement describing why the bidder or offeror is not required to be so authorized. Link to the Virginia State Corporation Commission site: <http://www.scc.virginia.gov/>.
- LL. TAXES: Include only taxes applicable to the project in this proposal. The ACSA is exempt from State Sales Tax and Federal Excise Tax. Tax Exemption Certificate indicating the ACSA's tax exempt status will be furnished by the ACSA upon request.
- MM. TESTING AND INSPECTION: The ACSA reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.
- NN. TRANSPORTATION AND PACKAGING: All prices submitted must be FOB Destination - Freight Prepaid and Allowed. By submitting their proposals, all offerors certify and warrant that the price offered for FOB destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be shipped. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used. All shipping containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity.
- OO. USE OF BRAND NAMES: Unless otherwise provided in this solicitation, the name of a certain brand, make or manufacturer does not restrict offerors to the specific brand, make or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article which the ACSA, in its sole discretion, determines to be the equal of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. The offeror is responsible to clearly and specifically identify the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the ACSA to determine if the product offered meets the requirements of the solicitation. This is required even if offering the exact brand, make or manufacturer specified. Adequate data for evaluation purposes must be provided. Unless the offeror clearly indicates in its proposal that the product offered is an equal product, such proposal will be considered to offer the brand name product referenced in the solicitation.
- PP. The terms and conditions set forth above within this Request for Proposals shall be deemed incorporated into any contract resulting from this procurement transaction, as if set forth therein verbatim.

VIII. SPECIAL TERMS AND CONDITIONS:

- A. AUDIT: The Contractor hereby agrees to retain all books, records, systems, and other documents relative to this contract for five (5) years after final payment, or until audited by the ACSA, whichever is sooner. The ACSA and its authorized agents shall have full access to and the right to examine any of said materials during said period.
- B. CANCELLATION OF CONTRACT: The ACSA may terminate any agreement resulting from this solicitation at any time, for any reason or for no reason, upon thirty days' advance written notice to the Contractor. In the event of such termination the Contractor shall be compensated for services and work performed prior to termination.

C. FORM W-9 REQUIRED: Each offeror shall submit a completed W-9 form with their offer. In the event of contract award, this information is required in order to issue purchase orders and payments to your firm. A copy of this form can be downloaded from <http://www.irs.gov/pub/irs-pdf/fw9.pdf>.

IX. METHOD OF PAYMENT: Payment will be made at completion of project, upon receipt of a valid invoice, and for additional services as ordered and agreed at time of order within 45 days of invoice date, unless specified differently in the contract.

X. ATTACHMENTS:

ATTACHMENT A	Offeror Data Sheet
ATTACHMENT B	State Corporation Commission & Registered Agent Form
ATTACHMENT C	Certification of No Collusion
ATTACHMENT D	Proprietary/Confidential Information Identification
ATTACHMENT E	Insurance Requirements
ATTACHMENT F	ACSA INVESTMENT POLICY

OFFEROR DATA SHEET

Note: The following information is required as part of your response to this solicitation.

1. Qualification: The vendor must have the capability and capacity in all respects to satisfy fully all of the contractual requirements.
2. Vendor's Primary Contact:
Name: _____ Phone: _____
3. Years in Business: Indicate the length of time you have been in business providing this type of good or service:
_____ Years _____ Months
4. Vendor Information:
FIN or FEI Number: _____ If Company, Corporation, or Partnership
5. Indicate below a listing of at least four (4) current or recent accounts, either commercial or governmental, that your company is servicing, has serviced, or has provided similar goods. Include the length of service and the name, address, and telephone number of the point of contact.

A.	Company: _____	Contact: _____
	Phone: _____	Email: _____
	Dates of Service: _____	\$ Value: _____

B.	Company: _____	Contact: _____
	Phone: _____	Email: _____
	Dates of Service: _____	\$ Value: _____

C.	Company: _____	Contact: _____
	Phone: _____	Email: _____
	Dates of Service: _____	\$ Value: _____

D.	Company: _____	Contact: _____
	Phone: _____	Email: _____
	Dates of Service: _____	\$ Value: _____

I certify the accuracy of this information.

Signed: _____ Title: _____ Date: _____

STATE CORPORATION COMMISSION & REGISTERED AGENT FORM

Virginia State Corporation Commission (SCC) registration information.

Code of Virginia § 13.1-757. A foreign corporation may not transact business in the Commonwealth until it obtains a certificate of authority from the Commission.

The bidder:

<input type="checkbox"/>	is a corporation or other business entity with the following Virginia SCC identification number: _____ -OR-
<input type="checkbox"/>	is not a corporation, limited liability company, limited partnership, registered limited liability partnership, or business trust -OR-
<input type="checkbox"/>	<p>is not required to obtain a certificate of authority from the Virginia SCC, pursuant to <i>Virginia Code</i> § 13.1-757(B) because its sole contact(s) with the Commonwealth consist(s) of:</p> <ol style="list-style-type: none"> 1. <input type="checkbox"/> Maintaining, defending, or settling any proceeding; 2. <input type="checkbox"/> Holding meetings of the board of directors or shareholders or carrying on other activities concerning internal corporate affairs; 3. <input type="checkbox"/> Maintaining bank accounts; 4. <input type="checkbox"/> Maintaining offices or agencies for the transfer, exchange, and registration of the corporation's own securities or maintaining trustees or depositories with respect to those securities; 5. <input type="checkbox"/> Selling through independent contractors; 6. <input type="checkbox"/> Soliciting or obtaining orders, whether by mail or through employees or agents or otherwise, if the orders require acceptance outside this Commonwealth before they become contracts; 7. <input type="checkbox"/> Creating or acquiring indebtedness, deeds of trust, and security interests in real or personal property; 8. <input type="checkbox"/> Securing or collecting debts or enforcing deeds of trust and security interests in property securing the debts; 9. <input type="checkbox"/> Owning, without more, real or personal property; 10. <input type="checkbox"/> Conducting an isolated transaction that is completed within 30 days and that is not one in the course of repeated transactions of a like nature; 11. <input type="checkbox"/> For a period of less than 90 consecutive days, producing, directing, filming, crewing or acting in motion picture feature films, television series or commercials, or promotional films which are sent outside of the Commonwealth for processing, editing, marketing and distribution. The term "transacting business" as used in this subsection shall have no effect on personal jurisdiction under § 8.01-328.1; or 12. <input type="checkbox"/> Serving, without more, as a general partner of, or as a partner in a partnership which is a general partner of, a domestic or foreign limited partnership that does not otherwise transact business in the Commonwealth. <p>-OR-</p>
<input type="checkbox"/>	is an out-of-state business entity that is including with this bid an opinion of legal counsel which accurately and completely discloses the undersigned bidder's current contacts with Virginia and describes why those contacts do not constitute the transaction of business in Virginia within the meaning of § 13.1-757 or other similar provisions in Titles 13.1 or 50 of the Code of Virginia. Attach opinion of legal counsel to this form.

Registered Agent Information

Please specify the Registered Agent who will accept service of process on your behalf.

Agent Name: _____

Physical Address (no Post Office Boxes):

I certify the accuracy of this information.

Signed: _____ Title: _____ Date: _____

CERTIFICATION OF NO COLLUSION

The undersigned, acting on behalf of _____, does hereby certify in connection with the procurement and proposal to which this Certification of No Collusion is attached that:

This proposal is not the result of, or affected by, any act of collusion with another person engaged in the same line of business or commerce: nor is this proposal the result of, or affected by, any act of fraud punishable under Article 1.1 of Chapter 12 of Title 18.2 Code of Virginia, 1950 as amended (&&18.2-498.1 et seq.)

Signature of Company Representative

Name of Company

Date

ACKNOWLEDGEMENT

STATE OF VIRGINIA

Albemarle County Service Authority, to wit:

The foregoing Certification of No Collusion bearing the signature of _____ and dated _____ was subscribed and sworn to before the undersigned notary public by _____ on _____.

Notary Public

My commission expires: _____

CODE OF VIRGINIA

&18.2-498.4. Duty to provide certified statement. A. The Commonwealth, or any department or agency thereof, and any local government or any department or agency thereof, may require that any person seeking, offering or agreeing to transact business or commerce with it, or seeking, offering or agreeing to receive any portion of the public funds or moneys, submit a certification that the offer or agreement or any claim resulting thereon is not the result of, or affected by, any act of collusion with another person engaged in the same line of business or commerce, or any act of fraud punishable under this article.

B. Any person required to submit a certified statement as provided in paragraph A above who knowingly makes a false statement shall be guilty of a Class 6 felony. (1980, c.472)

INSURANCE REQUIREMENTS

- A. **INSURANCE:** By signing and submitting a proposal under this solicitation, the offeror certifies that if awarded the contract, it will purchase and maintain, at its sole expense, and from a company or companies authorized to do business within the Commonwealth of Virginia, insurance policies containing the following types of coverages and minimum limits, protecting from claims which may arise out of or result from the Offeror's performance or non-performance of services under this Contract, or the performance or non-performance of services under this Contract by anyone directly or indirectly employed by the Offeror or for whose acts it may be liable:
- a. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the ACSA of increases in the number of employees that change their workers' compensation requirements under the Code of Virginia during the course of the contract shall be in noncompliance with the contract. This policy shall specifically list Virginia as a covered state.
 - b. Employer's Liability - \$100,000. This policy shall specifically list Virginia as a covered state.
 - c. Commercial General Liability - \$1,000,000 per occurrence/\$2,000,000 aggregate. Commercial General Liability is to include bodily injury and property damage, personal injury, advertising injury, contractual liability, and products and completed operations coverage. The ACSA of Albemarle and its officers, employees' agents and volunteers must be named as additional insureds and be so endorsed on the policy.
 - d. Automobile Liability - \$1,000,000 per occurrence. Coverage is to include hired, owned, non-owned, temporary and leased vehicles.
 - e. Umbrella or Excess Liability Coverage may be used to achieve higher liability limits. See below.
 - f. Professional (E&O) Liability Insurance: \$1,000,000 per claim/\$2,000,000 aggregate.

All insurance coverage:

1. shall be issued by an insurance carrier authorized to do business within the Commonwealth of Virginia and rated A – VIII or better, by A. M. Best Company or equivalent rating from an alternate recognized ratings agency, and otherwise acceptable to the ACSA;
2. shall be kept in force throughout performance of services;
3. shall be an occurrence-based policy;
4. shall include completed operations coverage;
5. shall contain a cross liability or severability of interest clause or endorsement. Insurance covering the specified additional insured shall be primary and non-contributory, and all other insurance carried by the additional insureds shall be excess insurance;
6. where additional insured required, such policy shall not have a restriction on the limits of coverage provided to the ACSA as an additional insured. The ACSA shall be entitled to protection up to the full limits of the offerors' s policy regardless of the minimum requirements specified in the Contract.

Proof Of Insurance: Prior to performance of any services or delivery of goods, the Offeror shall (i) have all required insurance coverage in effect; (ii) the Offeror shall deliver to the ACSA certificates of insurance for all lines of coverage. The Offeror shall be responsible that such coverage evidenced thereby shall not be substantially modified or canceled without 30 days prior written notice to the ACSA; and (iii) the Offeror shall deliver to the ACSA endorsements to the policies which require the ACSA and its officials, officers, employees, agents and volunteers be named as "additional insured". Policies which require this endorsement include: Commercial General Liability, Automobile Liability and Umbrella or Excess Liability Coverage as detailed below. Such endorsements must be approved by the ACSA, and (iv) upon the request of the ACSA, provide any other documentation satisfactory to the ACSA in its sole discretion, evidencing the required insurance coverage, including but not limited to a copy of the insurance policy and evidence of payment of policy premiums. The Offeror shall require each of its subcontractors and suppliers to have coverage per the requirements herein in effect, prior to the performance of any services by such subcontractors and suppliers. Further, the Offeror shall ensure that all Required Insurance coverages of its subcontractors and suppliers is and remains in effect during performance of their services on the Project and certifies by commencement of the

Work that this insurance and that of subcontractors is in effect and meets the requirements set forth herein. The ACSA shall have no responsibility to verify compliance by the Offeror or its subcontractors and suppliers.

Effect Of Insurance: Compliance with insurance requirements shall not relieve the Offeror of any responsibility to indemnify the ACSA for any liability to the ACSA, as specified in any other provision of this contract, and the ACSA shall be entitled to pursue any remedy in law or equity if the Offeror fails to comply with the contractual provisions of this contract. Indemnity obligations specified elsewhere in this Contract shall not be negated or reduced by virtue of any insurance carrier's denial of insurance coverage for the occurrence or event which is the subject matter of the claim, or by any insurance carrier's refusal to defend any named insured.

Waiver Of Subrogation: The Offeror agrees to release and discharge the ACSA of and from all liability to the Offeror, and to anyone claiming by, through or under the Offeror, by subrogation or otherwise, on account of any loss or damage to tools, machinery, equipment or other property, however caused.

Sovereign Immunity: Nothing contained herein shall affect, or shall be deemed to affect, a waiver of the ACSA's sovereign immunity under law.

Right to Revise or Reject: The ACSA reserves the right, but not the obligation, to revise any insurance requirement not limited to limits, coverages and endorsements, or reject any insurance policies which fail to meet the criteria stated herein. Additionally, the ACSA reserves the right, but not the obligation, to review and reject any insurer providing coverage due to its poor financial condition or failure to operate legally.

Umbrella or Excess Liability Coverage which (i) includes premises/operations, product/completed operations, contractual liability, independent contractors, broad-form property and contents damage for (100%) of the replacement cost, underground, explosion and collapse hazard, and personal/advertising injury, (ii) includes contractual liability coverage and coverage for all owned, hired and non-owned vehicles, (iii) fire (with extended coverage), theft, vandalism, malicious mischief, collapse, earthquake, flood, water, windstorm, falsework, testing and startup, temporary buildings, contents, debris removal, and which provides coverage for one hundred percent (100%) of the replacement cost of the loss experienced and the Offeror's scope of the Work, and (iv) has per-occurrence limits of not less than One Million Dollars (\$1,000,000). This insurance shall name the ACSA and its officials, officers, and employees and agents as "additional insureds" by **endorsement** to the Umbrella or Excess Liability policy. Such policy shall not have a restriction on the limits of coverage provided to the ACSA as an additional insured. The ACSA shall be entitled to protection up to the full limits of the Offeror's policy regardless of the minimum requirements specified in this contract.

Professional Liability Insurance: At its sole expense, and prior to commencing any activities under this Agreement, Offeror shall secure professional liability insurance, covering any damages caused by the negligent or wrongful acts or omissions of the Offeror, its employees and agents in the performance of this Agreement, with coverage in an amount not less than \$1,000,000/\$2,000,000 aggregate ("Required Insurance"). Offeror shall maintain the Required Insurance in effect throughout the Term of this Agreement and for a period of three (3) years following final acceptance of the Project by the ACSA. Upon execution of this Agreement, Offeror shall provide the ACSA with a certificate of insurance, or other written documentation satisfactory to the ACSA in its sole discretion, issued by Offeror's insurance company(ies), confirming the Required Insurance and the beginning and ending date(s) of Contractor's policy(ies). Upon receipt of any notice, verbal or written, that the Required Insurance is subject to cancellation, Offeror shall immediately (within one business day) notify the ACSA. Offeror's failure to comply with any of the requirements of this Section shall constitute a material breach of this Agreement entitling the ACSA to terminate this Agreement without notice to Offeror and without penalty to the ACSA.

Albemarle County Service Authority

Investment Policy

1. **Purpose:** This policy is designed to codify the investment practices of the Albemarle County Service Authority.
2. **Scope:** The Authority will follow these procedures for all of the funds except petty cash under its direct control, including those classified as:
 - a. Water and Sewer Revenue
 - b. Operating
 - c. Repair, Renewal, and Replacement (3R)
 - d. Capacity/System Development
 - e. Bond Reserve

All of the above funds may be pooled for investment purposes.

3. **Objectives:** Preservation of capital is the most important consideration related to the Authority's investment practices. Investment transactions will be undertaken with the intent of maintaining the principal balance of the overall portfolio.

The Authority's investment portfolio will be structured to achieve approximately a market rate of return, given the above restriction and subject to the cash flow requirements of efficient operation.

4. **Authorized investments:** The Authority may invest in any of the instruments specified in Section 2.2-4500 et seq. of the *Code of Virginia*, including:
 - a. Certificates of deposit
 - b. Treasury bills, notes and bonds
 - c. Repurchase agreements
 - d. Bankers' acceptance notes
 - e. Prime commercial paper
 - f. Obligations of the State of Virginia and its political subdivisions and agencies.
5. **Delegation of Authority:** The Director of Finance is designated as the investment officer of the Authority and is responsible for investment activities and decisions. The Director of Finance will establish and maintain investment policies and procedures under the general guidance and written approval of the Executive Director.
6. **Prudence:** The standard of prudence to be employed by the investment officer shall be the "prudent person" rule applied to the portfolio taken as a whole. The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported immediately, and that appropriate action is taken to control adverse developments.

- 7. Qualified Institutions:** The Authority will invest only through either:
 - a. Institutions classified as primary and reporting securities dealers by the New York Federal Reserve Bank
 - b. Members in good standing of the National Association of Securities Dealers
 - c. National financial institutions
- 8. Safekeeping and collateralization:** Investments held for safekeeping by financial institutions will be secured in their trust or investment departments in the Authority's name. Certificates of deposit will be placed only with institutions qualifying as public depositories under the terms of the *Virginia Security for Public Deposits Act*, 2.2-4400 through 2.2-4411 of the Code of Virginia, 1950 as amended. Repurchase agreements must be collateralized with instruments approved for investment in section four above.
- 9. Maturities:** Investment maturities will be scheduled to meet cash flow requirements. With the exception of bond, 3R, and Capacity/System Development reserves, no investment will be made for more than twelve months without written justification, or for more than two years without the approval of the Executive Director.
- 10. Competitive selection of investments:** When specific maturities are required, either for cash flow purposes or for adherence to maturity guidelines, quotations on investments meeting the maturity needs will be solicited from at least two qualified institutions. When no specific maturity is required, available funds will be invested at the prudent discretion of the investment officer.
- 11. Reporting:** The investment officer will prepare monthly reports on the status of investments and provide copies to the Executive Director and the Board of Directors.