



Town of Westerly

**Request for Qualifications**

**2016-088**

**Fiscal Agent - Police Pension and OPEB Accounts**

November 2016

**Town of Westerly**  
**Request for Qualifications (RFQ)**  
**2016-088**  
**Fiscal Agent – Police Pension and OPEB Accounts**

Request for Qualifications No. 2016-088

Proposal Due Date: no later than 3:00 p.m. on 12/07/16

Location: Westerly Town Hall, Purchasing Department, 45 Broad St. Westerly, RI 02891

**Calendar for RFQ:**

RFQ Advertised: 11/9/16

Questions due from Respondents 11/16/16 no later than 12:00 p.m.

Responses to Questions-Addendum 11/23/16

RFQ Due Date no later than 3:00 p.m. on 12/07/16

Interview of top Respondents: December 2016/January 2017

Anticipated Award Date March 2017

This document constitutes a Request for Qualifications (RFQ) via competitive sealed proposals from qualified individuals or organizations to perform the Scope of Work set forth herein. This request is an offer by the Town of Westerly, Rhode Island (the Town) to obtain, in accordance with the terms and conditions of this RFQ, the services and products proposed by the successful Respondent. Respondents are strongly encouraged to carefully read the entire RFQ.

Proposal must be in the actual possession of the Town on or before the exact time and date indicated above. Proposals received after the published time will be disqualified. Proposals must be clearly marked with 1) Requests for Proposal RFQ 2016-088 – Fiscal Agent – Police Pension and OPEB Plan, and 2) Respondent's name and address on the sealed envelope. The Town will not be responsible for late delivery of improperly addressed envelopes. All proposals must be completed typewritten as well as on a readable CD formatted in Microsoft Word. Each Respondent, by submission of a signed proposal, agrees to each and every term and condition set forth within this RFQ and to be bound thereby.

**Brief Description of proposals expected:**

This request is an offer by Town to retain, in accordance with the terms and conditions of this RFQ, the services and products proposed by the successful Respondent.

- The Respondent shall provide a proposal, in accordance with all terms and conditions of the RFQ, to offer expert advisory and administrative services supporting the efficient administration of Town's IRS qualified Police Defined Retirement plan and Police OPEB Plan.
- The offer to acquire and award a contract is contingent on receiving final approval of the award from Town's Council.

## **Brief Description of Town of Westerly**

The Town of Westerly, Rhode Island is located in Washington County and has a population of approximately 26,000. The Town sponsors two (2) retirement options for retired police 1) Police Defined Pension and OPEB health plan The plan currently value for the defined pension plan is approximately \$31,272,931 as of 9/30/16, and OPEB plan is approximately \$2,015,000. Copies of the plans are available on the Town of Westerly website, [www.Westerlyri.gov](http://www.Westerlyri.gov) within the section for the Human Resources Department.

## **Scope of work**

- The successful respondent will act as fiduciary for the plan and will provide advice and assistance in reviewing the administration of the Town's Defined Benefit and Defined Contribution Plans on a continuing basis to ensure that those plans are in compliance with state and federal requirements.
- The successful respondent shall provide, in addition to those listed below, administrative services including: quarterly employee holdings statements preparation and issuance; monitoring of state, and IRS regulations for adherence to qualification status; initiate and submit required updates to the plan document; Quarterly meeting with the Town Manager or his designee informing them of updates and/or changes to investments; attend semi-annual meetings with the Town Pension Board and annually to Town Council.
- Respondent should specialize in, or have a separate division that specializes in, retirement plans.
- Respondent should be a registered investment advisor who can provide written acceptance of co-fiduciary status.
- Respondent's investment materials have been reviewed by Financial Industry Regulatory Advisory (FINRA). A copy of FINRA's opinion letter should be available for review.
- Respondent should be able to provide investment materials that have been reviewed by outside legal counsel for compliance.
- Respondent will provide a secure, online self-service portal where employees will have access to their own confidential information. Host an interactive, intuitive and participant friendly website including the ability to monitor, track, obtain reports, and transfer funds daily. Maintain a secure, online portal for the organization to access, update and monitor necessary participant information.
- Respondent will prepare the trust document and file plan updates with the IRS for acceptance. Respondent will issue proper fee disclosure information as required to both employer and participants and regulatory authority?
- Respondent will work with the Town to develop or make IRS compliant changes to the plan design as needed.
- Respondent will review and process all Qualified Domestic Relations Orders ("QDRO's").
- Respondent will provide a written service contract detailing the services they provide.

- Respondent will host and maintain an active toll free hotline for participant inquiries.
- Respondent will provide online or manual enrollment kits for new employees.
- Respondent will provide a vehicle for accepting bi-weekly deposits of participant and agency plan asset funds.
- Respondent will maintain adequate levels of fiduciary insurance coverage.

## **RFQ Processes and Requirements**

- Town is committed to selecting the most competitive offer for contract award, but does not base its evaluation solely on price. Town of Westerly reserves the right to award a contract to a Respondent who may not necessarily be the lowest Respondent based upon cost comparison.
- No extensions to the response deadline will be granted on an individual basis. If Town determines that the response time it has provided is inadequate for the preparation of complete proposals, or if amendments issued have materially changed the proposal requirements, it may, at its option, extend the opening date by amendment to all Respondents.
- All Respondents agree that their proposals are a firm offer to provide the proposed services to the Town. Once submitted, all offers must remain valid for 90 days. No offer may be withdrawn after the opening date for a period of 90 days.
- Prior to opening, Respondents may withdraw their proposals by notifying Eileen Cardillo, Purchasing Agent in writing of their intent to do so at [ecardillo@westerly.k12.ri.us](mailto:ecardillo@westerly.k12.ri.us), 401-348-2625.

## **Awards**

- The Respondent shall have the capability and the requisite experience and expertise to provide services for Town in accordance with the provisions and requirements set forth herein.

## **Proposal Format**

- All proposals must be received by December 7, 2016, no later than 3:00 p.m. An *original*, clearly labeled "ORIGINAL". and four (4) copies, of the proposal shall be placed in a sealed envelope and an electronic copy of the proposal, bearing the name and address of the Respondent and clearly marked with the words, RFQ 2016-088 Fiscal Agent Police Pension and OPEB Accounts.

Town of Westerly  
Purchasing Department  
45 Broad St.  
Westerly, RI 02891  
Attn: Purchasing Agent

- All proposals shall be opened publicly and recorded as received. Respondents may be present at the opening; however, there will be no public reading of Proposals. Proposals received later than time and date specified will not be considered.
- Questions about this RFQ may be directed to Eileen Cardillo at ecardillo@westerly.k12.ri.us no later than 12:00 p.m. on 11/16/16. All information given by the Town, except by written addenda, shall be informal and shall not be binding upon the Town nor shall it furnish a basis for legal action by any Respondent or prospective Respondent against the Town.
- Answers to these questions will be addressed in an addendum, which will be issued, by the Town and emailed to each known Respondent and posted on the website. No addendum will be issued less than five (5) calendar days before the scheduled RFQ opening unless it is to postpone the RFQ.
- All proposals shall remain firm and cannot be withdrawn for a period of 90 days after receipt of proposals.
- The material shall be complete, organized, easy to follow, and related to the RFQ.

**EVALUATION CRITERIA (This is an evaluated bid; the Town of Westerly’s intention is to award to the highest qualified firm with the lowest rate structure; only the bidder names will be read at the bid opening.)**

**Technical Section (total possible points: 70)**

The evaluation process will include a point-scoring scheme as follows:

- Historical record with regard to return on investment and selection of asset group. 10 points
- The background experience, and financial strength of the Respondent in providing similar services elsewhere, including the level of experience in working with other municipalities of similar size, and the quality of services performed, for other municipalities. 10 points
- Depth of personnel with requisite skill and experience to deliver proposed services. Depth of staff providing support and back up. The specific background, education, qualifications, and relevant experience of the individuals designated to provide services, especially those of the project manager, and documentation of relevant and pertinent training and accreditations of each member of the team. 10 points
- The Respondent’s responsiveness and compliance with the RFQ requirements and conditions to provide the services requested. 10 points
- Services and web based project offered as resources for Town. 8 points
- A demonstrated plan of action for service providers to expediently gain solutions to our service needs in issues which may be beyond their relevant experience level or authority. 15 points

- A review of references that were provided in the Proposal submitted. 7 points

**Cost Proposal (total possible points: 30) (Submitted in a separate sealed envelope)**

- Fee structure proposed including fund asset fees to be charged to the plan or participants.  
30 points

**Selection Process**

- Proposals will be evaluated based upon the criteria and/or factors of evaluation listed in the Request for Proposal.
- The Town will have the proposals evaluated by a committee. If deemed necessary by the committee, the Town reserves the right to short list the proposals received and schedule interviews and oral presentations.
- The Town shall select a responsible and responsive Respondent whose proposal is determined by the Town to be the best suited, most advantageous, and provides the greatest overall benefit to the Town on the basis of the criteria and/or factors of evaluation listed.
- The Town expressly reserves the right to negotiate with the selected Respondent prior to an award of any contract pursuant to this Request for Proposal.
- The Town reserves the right to reject any and all proposals and to waive any informalities or technical defects in any proposal. Non-selection of any proposal will mean that another acceptable proposal was deemed to be more advantageous to the Town or that no proposal was accepted. Respondents whose proposals are not accepted will be so notified. Notification of non-selected proposals will be devoid of any criticism of the proposal and of any implication that the proposal was deficient.

The firm will be evaluated and selected based on the following criteria:

**Evaluation Procedure:**

The Evaluation Committee will review and rank all complete proposals that are received. Ranking will be made on the basis of information submitted in response to this RFP.

The proposal will need to achieve a **minimum technical score of 56 points out of 70 points** to qualify for the cost evaluation. The qualified proposal with the lowest price will receive 30 points. The other qualified proposal(s) with higher prices will receive points based on the following formula:

**Low bid/your bid \* 30**

A recommendation will be made to the Town of Westerly's Purchasing Agent, and subsequently to the Westerly Town Council for an award. A professional services contract then will be issued by the Town.

## **Collusion**

· Any act or acts of misrepresentation or collusion shall be a basis for disqualification of any proposal or proposals submitted by such persons guilty of said misrepresentation or collusion. In the event that the Town enters into a contract with any Respondent who is guilty of misrepresentation or collusion and such conduct is discovered after the execution of said contract, the Town may cancel said contract without incurring liability, penalty or damages. Non-Collusion form must be completed.

## **Special Instructions to Respondent**

· All Respondent agree that they shall defend, indemnify, and hold the Town, its officers, employees, and agents harmless from and against all claims which arise out of the Respondent's performance, negligence, or actions if its officers, employees, and agents in the performance of this contract. Specific requirements for insurance are contained in Appendix D. The Town reserves the right to terminate the contract at any time for the convenience of the Town without penalty or recourse, by giving written notice to the successful Respondent at least thirty days prior to the effective date of termination.

· The Respondent will be entitled to receive just and equitable compensation for that work completed prior to the effective date of termination.

· The terms and conditions of this contract will be interpreted in accordance with the common and statutory laws of the State of Rhode Island.

· Any change in the contract including the Services described herein, whether by modification or supplementation, must be accomplished by a formal contract amendment signed and approved by and between the duly authorized representatives of the Respondent and the Town. Any such amendment shall specify an effective date, any increases or decreases in the amount of the Respondent's compensation, if applicable, and entitled as "Amendment" and signed by the parties identified in the preceding sentence.

· The Respondent expressly and explicitly understands and agrees that no other method and/or no other document, including correspondence, acts and oral communications by or from any person shall be used or construed as an amendment or modification or supplementation to the contract.

· The Town reserves the right to immediately cancel, terminate, or reject the whole or any part of the contract due to failure of the Respondent to carry out any term, promise, or condition of the contract.

· The Town will issue a written notice of cancellation to the Respondent for failing to act in any of the following:

1. The Respondent fails to adequately perform the services required in the contract.
2. The Respondent fails to furnish the required service within as stipulated in the contract.
3. The Respondent fails to make progress in the performance of the requirements of the contract and/or give the Town a positive indication that the Respondent cannot or will not perform the requirements of the contract.

- If the Town cancels the contract pursuant to this clause, the Town reserves all rights and claims to damage for breach of contract.

## **PROPOSAL CONTENT**

The Request for Proposal is intended to provide interested Respondents with uniform information concerning the conditions for submitting proposals.

Respondents must examine all information and materials contained in this RFQ. **Failure to do so will be at the Respondent's risk.** In response to the RFQ, Respondents shall adhere to the established format. By doing so, comparable objective data will be provided for the Town's review and analysis. The Proposal shall contain the following sections, in order and format described.

### **APPENDIX A – C & E must be completed and submitted with proposal.**

#### **Cost Proposal (to be submitted in a separate sealed envelope)**

Respondents are required to submit their full fees and expected schedule of payment to each plan separately, as outlined in the Scope of Services for three fiscal years. All costs associated with the performance of these services must be clearly delineated and incorporated in the fee proposed. Respondents should also clearly delineate any discount if offered in their fee proposal. The Town reserves the right to negotiate fees and payment schedules with the selected Respondent. Respondents must disclose all expected and potential payments, commissions or remuneration of any type (direct or indirect), which might be associated with the Respondent receiving this award. Respondent must also disclose any such payments during the time of the contract to the Town and credit such payment towards the fee paid by the Town.

## **TERMS & CONDITIONS**

The initial term of the contract will be for three (3) years beginning in April 2017. The Town shall have the option to extend the contract for two (2) twelve month terms at the discretion of the Town subject to appropriation of funds.

All proposal submissions and materials become property of the Town and will not be returned. Respondents to this RFQ are hereby notified that all proposals submitted and information contained therein and attached thereto shall be subject to disclosure under the Freedom of Information Act.

## **TOWN OF WESTERLY, GENERAL CONDITIONS**

Respondents to this RFQ will be expected to adhere to the following conditions and must make a positive statement to that effect in its proposal submitted:

- The firm will accept and follow direction from the Town and specifically, the Town Manager, or his or her designated representative.
- Agree to conform to State and Federal Regulation Governing Defined Contribution and Defined Benefit Plans.

- Agree to conform to all applicable laws and ordinances and statutes of the Federal Government, State of Rhode Island and the Town of Westerly.

**Additional Information**

Information may be provided to potential Respondents for the purpose of clarification to assure full understanding of and responsiveness to the Request for Proposal's requirements through the addendum. Prospective Respondents shall be afforded fair and equal treatment with respect to access to additional information and revision of proposals.

## **APPENDIX A**

### **Organization Background, Experience and Stability**

1. When was your company founded?
2. Where is your company headquartered? Are you licensed in Rhode Island?
3. In what year did you initiate your custodial / master trust service?
4. Describe the ownership structure of your firm.
5. Please provide a brief history of your firm's experience with master trusts, custody safekeeping, clearing and lending services.
6. Please describe your strengths that differentiate your master trustee service from other service providers. Identify any areas targeted for improvement.
  6. How do you define your fiduciary responsibility?
  7. Discuss the financial stability of your firm. Provide information from your most recent S&P and Moody's ratings & reports. If you are a subsidiary, will your ultimate parent guarantee payment of your liabilities?
  8. Identify and describe any litigation or investigation by a regulatory authority that your organization or officers have been involved in over the last five years that relate to master trust / custody or security lending services.
  9. List all insurance coverage relevant to master trust / custody functions.
  10. Indicate the type and amount. Please describe any merger and/or acquisitions you have been involved in over the past five years. Do you anticipate any mergers and/or acquisitions involving your company in the near future?

### **General Information**

11. What is the total number of your master trust/custodial clients?
13. What is the total market value of all your master trust/custody assets?
14. What is your average client size in terms of assets? Please note the largest, smallest and median size of your client base.
15. Please complete the following table with your distribution of clients:

Distribution of Clients by Size in Each Range Less than \$50 mm

\$50 - \$150 mm

\$150 - \$500 mm

\$500 - \$1 bn \$1 - \$5 bn Over \$5 bn

16. What percentage of the company's total revenues does master trust/custody services generate?

17. Describe your policies regarding confidentiality of client information.

18. Detail the growth of master trust/custody relationships during the past five years in terms of client account and asset values.

19. Have you worked with at least three political subdivisions of the State of Rhode Island (i.e. municipality, school system, public authority, etc.)?

20. Please provide three references of similar size and plan type, preferably a governmental entity (including entity name, contact, title, and telephone number).

21. Please provide the number of trustee/custody accounts that you have gained and lost for each of the last three calendar years.

**Administration and Staff Information**

22. Please provide an organization chart and a discussion of your staff structure.

23. Do you assign one primary relationship manager, or will our client be working with different people based on the service requested (i.e. accounting, distributions, reporting, etc.)?

24. Describe the team that will service the relationship and provide biographies. Where will these individuals be located?

25. How many accounts does this individual or team currently handle and how big are these accounts?

26. What level of employee turnover have you experienced in the last three years?

**Investment Manager Liaison Group**

27. Describe how your organization interacts with investment managers.

28. Do you provide investment managers with access to a remote inquiry service? If so, what information or reports are available to them "on-line"?

29. Through what vehicles can managers communicate trade data?
30. What procedure is used to ensure that accurate information is entered into the system? How is trade information matched between manager and broker? What automatic edits are built into the system?
31. What is the error rate on trade input?
32. How are peak trading volume periods handled?
33. Describe your organization's procedures for reporting corporate actions to clients and to investment managers for both U.S. and non-U.S. corporate actions.
34. How does your organization provide for the prompt delivery of proxies and proxy statements to investment managers for their voting instructions? Please describe this effort in detail.

### **Data Processing / Computer Systems**

35. Please indicate the location(s) of your administrative operations and computer facilities that support your custody operations.
36. How long has the current system been in use?
37. Describe the significant system enhancements, changes and/or additions to the master trust and custody systems that have been implemented over the past five years.
38. Do you plan any major system conversions within the next two years? How does your organization support the advancement in systems technology? Briefly describe your organizational goals and philosophy regarding your technological platform and systems.
39. If your system prices holdings, how are prices updated? What are your pricing sources and how are prices verified? Please describe the process for both domestic, international equities and fixed income securities.
40. Please describe the independent audit review that is performed on the computer system. Please provide a copy of your most recent SAS 70.

### **Disaster Recovery**

41. Describe your emergency disaster recovery procedures.
42. Do you have duplicate offsite backup location in case of emergency? If so, where is this office located?
43. When was the last full backup test?

44. Has this office been used in the last three years? Please detail the circumstances.

### **Online Communication**

45. What reports and functions are available online? Please provide examples.

46. Can the client download the data to create custom reports? Can data from your online system be exported to applications such as Microsoft Excel?

47. How current are the transactions and valuations?

48. How many of your clients are currently regular users of the on-line service?

49. Do you provide training for client personnel in the use of the system? How is such training conducted (e.g., in person, via teleconference, etc.)?

50. Describe your system's customer availability timeframes.

51. Is there a help desk available?

52. What are the times representatives are available?

53. Describe your system security (e.g., encryption and on-line authentication).

### **Portfolio Reporting**

54. Discuss your reporting platform in terms of content, timeliness and delivery method. Please comment on your organization's abilities to report on the performance of alternative investments in addition to traditional asset classes.

55. In what delivery formats are reports available? With what frequency do you produce each report and when does the client receive them?

56. Provide a sample set of the standard monthly and quarterly custody reports.

57. How soon after the end of the reporting period will portfolio and activity data be available on-line?

### **Securities Processing**

58. Which major depository and clearinghouse facilities are you a member of?

59. Describe your procedures for processing domestic and international settlements.

60. Does your accounting system accommodate options and futures trading?

61. Describe your proxy voting capabilities. What proxy services do you offer and what countries are they offered in?

62. Describe your systems, controls and capabilities to identify, track and manage class action litigation or settlement proposals for securities either currently held or previously owned and eligible for participation in such actions.

63. Describe your procedures for working with sub-custodians/trusts.

64. Describe special procedures for the processing, valuing and reporting of fixed income, real estate, alternative, private equity, venture capital and non-traditional assets.

### **Procedures and Controls**

65. Is there a general audit system in place? Does a major public accounting firm certify it? Discuss the frequency and scope of review performed.

66. Please describe the frequency and scope of audits performed over trustee/custody area by internal auditors.

67. What is your system of quality control to ensure accuracy in reporting?

68. Describe your securities settlement and clearance procedures and systems.

69. How long do you maintain client records following termination?

70. Please comment on your experience and cooperation working through your client's audit process and responding to auditor's requests for information.

### **Cash Management**

71. Describe your investment vehicles used for your short-term investment fund.

72. Is interest and dividend income reported on a cash or accrual basis?

73. When does income become available for investment?

74. Are receipts and disbursements posted in immediately available or clearinghouse funds?

### **Benefit Payments**

75. Is a check payment plan available? How flexible is this plan?

76. Do you provide direct deposit or electronic funds transfer?

77. Does your benefit disbursement system make monthly deductions for Federal and State Income Tax withholding?
78. Describe your on-line access capabilities for benefit payment services.
79. Describe your procedure for processing lump sum distributions.
80. Describe your procedure for processing monthly distributions.
81. Describe your ability to electronically accept distribution and other instructions from the record-keeper.
82. Describe your process for determining Federal withholding amounts on distributions.
83. Describe your process for handling payment and tax withholdings for participants that are residents of foreign countries receiving payments in those countries?
84. Describe the outstanding distribution checks reports and reconciliation frequency. Do you provide a service to handle stale dated checks?
85. How do you account for lost beneficiaries? How do you account for deceased beneficiaries?
86. Do you have capabilities to include messages and/or inserts from the company?
87. Please describe your annual reporting process for beneficiaries including issuances of 1099s.

### **Transition**

88. Do you have a dedicated conversion/transition team? Please include a conversion plan and an outline of the process including a timeline for potential implementation/conversion and a live implementation date of estimated April 2017. What amount of lead-time is necessary to proceed with the conversion?
89. Will you perform reconciliation with the prior custodian and investment managers?

### **Fees**

90. Please submit a fee schedule for your organization's custody services based upon the plan characteristics outlined below. Please breakout the fees by service - custody/safe keeping, benefit payments, trade settlement, etc. and provide a projected total of expected annual fees.
91. How long can you guarantee your proposed fee schedule, provided there were no revisions in the type of services required?
92. Please list any services that are NOT included in the annual fee.

93. Please describe any fee guarantees and any conditions that would cause an increase in fees.

94. Is your fee schedule negotiable?

**APPENDIX B**

**COMPENSATION SCHEDULE FORM**

Please set forth your annual fees to perform all consulting services indicated in the Scope of Services:

Town of Westerly

Year 1) \_\_\_\_\_

Year 2) \_\_\_\_\_

Year 3) \_\_\_\_\_

Respondents must disclose all expected and potential payments, commissions or remuneration of any type (direct or indirect), which might be associated with the Respondent receiving this award.

Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_

Print Name \_\_\_\_\_

Print Title \_\_\_\_\_

Company Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Phone/Fax \_\_\_\_\_

Email \_\_\_\_\_

**APPENDIX C**

**TOWN OF WESTERLY  
NON-COLLUSION STATEMENT**

**Proposal for:** \_\_\_\_\_

The undersigned bidder, having fully informed themselves regarding the accuracy of the statements made herein certifies that:

- a. The proposal has been arrived at by the Respondent independently and has been submitted without collusion with, and without any agreement, understanding, or planned common course of action with any other vendor of services described in the invitation to bid designed to limit independent bidding or competition, and;
- b. The Respondent has not communicated the contents of the bid to any person not an employee or agent of the Respondent, and will not be communicated to any such person prior to the official opening of the bid.

The undersigned bidder further certifies that this statement is executed for the purpose of informing the Town of Westerly to consider the bid and make an award in accordance therewith.

Please complete & sign

Legal Name of Bidder \_\_\_\_\_

Business Address \_\_\_\_\_

Name & Title of  
Authorized agent \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Phone # \_\_\_\_\_ Fax # \_\_\_\_\_

Email \_\_\_\_\_

## APPENDIX D

### Town of Westerly RFQ 2016-088 Fiscal Agent Police Pension and OPEB Accounts

#### STANDARD INSURANCE AND INDEMNIFICATION REQUIREMENTS

General Conditions: Within ten (10) business days of the award or notice, or prior to the start of work, whichever comes first, the contractor will provide, pay for, and maintain in full force and affect the insurance outlined here for coverage's at not less than the prescribed minimum limits of liability. Such coverage is to remain in force during the life of the contract and for such additional time as may be required, and will cover the contractor's activities, those of any and all subcontractors, or anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable.

- A. **Certificates of Insurance:** The contractor will give the owner a certificate of insurance completed by a duly authorized representative of their insurer certifying that at least the minimum coverage's required here are in effect and specifying that the liability coverage's are written on an occurrence form and that the coverage's will not be canceled, non-renewed, or materially changed by endorsement or through issuance of other policy(ies) of insurance without thirty (30) days advance written notice to: Town of Westerly, 45 Broad Street, Westerly, Rhode Island, 02891 Attn: Purchasing Agent. Failure of the owner to demand such certificate or other evidence of full compliance with these insurance requirements or failure of the owner to identify a deficiency from evidence provided will not be construed as a waiver of the contractor's obligation to maintain such insurance.
- B. **Insurer Qualification:** All insurance will be provided through companies authorized to do business in the State of Rhode Island and considered acceptable by the owner, with an A.M. Best Rating of A-/VIII.
- C. **Additional Insured:** To the extent commercially available at no additional cost, the policy or policies providing insurance as required, with the exception of professional liability and workers' compensation, will defend and include the owner and owner's architects, directors, officers, representatives, agents, and employees as additional insureds on a primary basis for work performed under or incidental to this contract.
- D. **Retroactive Date and Extended Reporting Period:** If any insurance required here is to be issued or renewed on a claims-made form as opposed to the occurrence form, the retroactive date for coverage will be no later than the commencement date of the project and will state that in the event of cancellation or nonrenewal, the discovery period for insurance claims (tail coverage) will be at least 36 months.
- E. **Subcontractors' Insurance:** The contractor will cause each subcontractor employed by contractor to purchase and maintain insurance of the types specified below. When requested by the owner, the contractor will furnish copies of certificates of insurance evidencing coverage for each subcontractor.

- F. Waiver of Subrogation: The contractor will require all insurance policies in any way related to the work and secured and maintained by the contractor to include clauses stating each underwriter will waive all rights of recovery, under subrogation and otherwise, against owner, architect, and all tiers of contractors or consultants engaged by them. The contractor will require of subcontractors, by appropriate written agreements, similar waivers each in favor of all parties enumerated in this section.
- G. Indemnification/Hold Harmless: The contractor shall indemnify, defend, and hold harmless the owner and, if applicable, the engineer and their agents and employees from and against all claims, damages, losses and expenses, including attorney's fees of counsel selected by the owner, arising out of or resulting from the performance of the work and /or the supplying of materials, provided that any such claim, damage, loss or expense (a) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including the loss of use resulting therefrom, and (b) is caused in whole or in part by any negligent act or omission of the contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not they are caused in part by a party indemnified hereunder.

## II. Insurance Limits and Coverage:

- A. To the extent applicable, the amounts and types of insurance will conform to the minimum terms, conditions and coverages of Insurance Services Office (ISO) policies, forms, and endorsements.
- B. If the contractor has self-insured retention's or deductibles under any of the following minimum required coverage's, the contractor must identify on the certificate of insurance the nature and amount of such self-insured retention's or deductibles and provide satisfactory evidence of financial responsibility for such obligations. All self-insured retention's or deductibles will be the contractor's sole responsibility.
- C. Commercial General Liability: The contractor will maintain commercial general liability insurance covering all operations by or on behalf of the contractor on an occurrence basis against claims for personal injury (including bodily injury and death) and property damage (including loss of use). Such insurance will have these minimum limits:

Minimum Limits: \$1,000,000 each occurrence  
\$2,000,000 each occurrence if blasting is required  
\$2,000,000 general aggregate with dedicated limits per project site  
\$2,000,000 products and completed operations aggregate  
\$1,000,000 personal and advertising injury

Should blasting be required, all necessary permits for the use of explosives shall be obtained by the contractor or insured from the Fire Marshall.

Special hazards shall be covered if needed by endorsement to the Commercial Liability policy/policies as follows:

- 1) Property damage liability arising out of the collapse of or structural injury to any building or structure due to excavation (including burrowing, filling or backfilling in connection therewith), tunneling, pile driving, cofferdam work or caisson work; or to moving, shoring, underpinning, razing or demolition of any building or structure, or removal or rebuilding of any structural support thereof.
- 2) Property damage liability for injury to or destruction of property arising, directly or indirectly, from blasting or explosions however caused, other than explosions of air or steam vessels, piping under pressure, prime movers, machinery or power transmitting equipment.
- 3) Property damage liability for injury to or destruction of wires, conduits, pipes, mains, sewers or other similar property, or any apparatus in connection therewith, below the surface of the ground, arising from and during the use of mechanical equipment for the purpose of excavating or drilling within project limits; injury to or destruction of property at any time resulting therefrom.

- D. Automobile Liability: The contractor will maintain business auto liability coverage for liability arising out of any auto, including owned, hired, and non-owned autos.

Minimum Limits: \$1,000,000 combined single limit each accident

- E. Workers' Compensation: The contractor will maintain workers' compensation and employer's liability insurance. Waiver of subrogation in favor of the Town of Westerly shall apply.

Minimum Limits: Workers' Compensation: statutory limit

Employer's Liability: \$500,000 bodily injury for each accident  
\$500,000 bodily injury by disease for each employee  
\$500,000 bodily injury disease aggregate

- F. Umbrella/Excess Liability: The contractor will maintain coverage applying over the underlying Commercial General Liability, Automobile Liability, Pollution Liability (where applicable), and Employer Liability section of the Workers Compensation coverage. **The Town of Westerly shall have the sole discretion in increasing or reducing the Umbrella/Excess Liability coverage requirements depending on the scope and/or size of the work to be performed by Contractor/Bidder.**

Minimum Limits: \$2,000,000 per occurrence/\$2,000,000 annual aggregate

Coverage applies over the underlying Commercial General Liability, Automobile Liability, pollution liability (where applicable), and Employer Liability section of the Workers Compensation Coverage.

- G. Professional Liability (for consultants, engineers, and other individuals/businesses providing professional services)

Each Claim/Wrongful Act:	\$1,000,000
Annual Aggregate	\$1,000,000

**Town of Westerly reserves the right to amend amounts of coverage required and type of coverage's provided based on work or service to be performed.**

Based upon the outcome of this process, the final chosen Respondent shall procure and maintain insurance against claims for losses to persons or The Town that are alleged to have arisen in connection with activities of the Respondent and any agents, representatives, subcontractors or employees. Respondent must show proof of Fiduciary Liability Insurance in the amount of \$10,000,000. Respondent's Insurance companies must be licensed by the State of Rhode Island or otherwise acceptable to The Town. The cost of such insurance, including required endorsements or amendments, shall be the sole responsibility of the consultant. Full disclosure of any nonstandard exclusion is required for all required coverage.

It is further agreed that the Respondent shall provide The Town with a ninety (90) day notice of cancellation, in advance of the retroactive date, and/or non-renewal.

**Please list any exceptions to the above insurance requirements:**

**We have read and understand the above listed insurance requirements and will provide the appropriate insurance certificates if awarded this contract**

**Signature** \_\_\_\_\_

## **APPENDIX E**

### **Bidder Certification Form**

ALL OFFERS ARE SUBJECT TO THE REQUIREMENTS, PROVISIONS AND PROCEDURES CONTAINED IN THIS CERTIFICATION FORM. Offerors are expected to read, sign and comply with all requirements. Failure to do so may be grounds for disqualification of the offer contained herein.

#### **Rules for Submitting Offers**

This Certification Form must be attached in its entirety to the front of the offer and shall be considered an integral part of each offer made by a vendor to enter into a contract with the Town of Westerly. As such, submittal of the entire Bidder Certification Form, signed by a duly authorized representative of the offeror attesting that he/she {1} has read and agrees to comply with the requirements set forth herein and (2) to the accuracy of the information provided and the offer extended, is a mandatory part of any contract award.

To assure that offers are considered on time, each offer must be submitted with the specific Bid/RFP/RFQ number, date and time of opening marked in the upper left hand corner of the envelope. Each bid/offer must be submitted in separate sealed envelopes. A complete signed (in ink) offer package must be delivered to the Town of Westerly Purchasing Department by the time/date specified for the opening of responses in a sealed envelope.

Bids must be submitted' on the bid solicitation forms provided, indicating brand and part numbers of items offered, as appropriate. Bidders must submit detailed cuts and specs on items offered as equivalent to brands requested WITH THE OFFER. Bidders must be able to submit samples if requested.

Documents misdirected to other Town/School locations or which are not present in the Town of Westerly Purchasing Department at the time of opening for whatever cause will be deemed to be late and will not be considered. Postmarks shall not be considered proof of timely submission.

**SOLICITATIONS:** To assure maximum access opportunities for users, public bid/RFP solicitations shall be posted on the website for a minimum of seven days and no amendments shall be made within the last five days before the date an offer is due. Except when access to the website has been severely curtailed and it is determined by the Purchasing Agent that special circumstances preclude extending a solicitation due date, requests to mail or fax hard copies of solicitations will not be honored. When the result of an internet solicitation is unsuccessful, the Town of Westerly will cancel the original solicitation and re-solicit the original offer directly from vendors.

**PRICING:** Offers are irrevocable for ninety (90) days from the opening date (or such other extended period set forth in the solicitation), and may not be withdrawn, except with the express permission of the Purchasing Agent. All pricing will be considered to be firm and fixed

unless otherwise indicated. The Town of Westerly is exempt from Federal excise taxes and State Sales and Use Taxes. Such taxes shall not be included in the bid price. PRICES QUOTED ARE FOB DESTINATION.

**DELIVERY and PRODUCT QUALITY:** All offers must define delivery dates for all items; if no delivery date is specified, it is assumed that immediate delivery from stock will be made. The contractor will be responsible for delivery of materials in first class condition. Rejected materials will be at the vendor's expense.

**PREVAILING WAGE, OSHA SAFETY TRAINING and APPRENTICESHIP REQUIREMENTS:** Bidders must comply with the provisions of the Rhode Island labor laws, including R.I. Gen. Laws §§ 37-13-1 et seq. and occupational safety laws, including R.I. Gen. Laws §§ 28-20-1 et seq. These laws mandate *for* public works construction projects the payment of prevailing wage rates, the implementation and maintenance of occupational safety standards, and for projects with a minimum value of \$1 Million, the employment of apprentices. The successful Bidder must submit certifications of compliance with these laws from each of its subcontractors prior to their commencement of any work. Prevailing wage rates, apprenticeship requirements, and other workforce and safety regulations are accessible at [www.dlt.ri.gov](http://www.dlt.ri.gov).

**PUBLIC RECORDS:** Offerors are advised that all materials submitted to the Town of Westerly for consideration in response to this solicitation will be considered without exception to be Public Records pursuant to Title 38 Chapter 2 of the Rhode Island General laws, and will be released for inspection immediately upon request once an award has been made. Offerors are encouraged to attend public bid/RFP openings to obtain Information; however, bid/RFP response summaries may be reviewed after award(s) by contacting the Town of Westerly Purchasing Department, Mondays through Fridays between 8:30am-4:30pm at 401-348-2625 or [ecardillo@westerly.k12.ri.us](mailto:ecardillo@westerly.k12.ri.us). Written requests for results will only be honored if the information is not available on the website.

Award will be made to the responsive and responsible offeror quoting the lowest net price in accordance with specifications, for any individual item(s), for major groupings of items, or for all items listed, at the Town's sole option.

**BID SURETY:** Where bid surety is required, bidder must furnish a bid bond or certified check for 5% of the bid total with the bid, or for such other amount as may be specified. Bids submitted without a required bid surety will not be considered.

**SPECIFICATIONS:** Unless specified "no substitute", product offerings equivalent in quality and performance will be considered (at the sole option of the Town) on the condition that the offer is accompanied by detailed product specifications. Offers which fail to include alternate specifications may be deemed nonresponsive.

**VENDOR AUTHORIZATION TO PROCEED:** When a purchase order, change order, contract/agreement or contract/agreement amendment is issued by the Town of Westerly, no

claim for payment for services rendered or goods delivered contrary to or in excess of the contract terms and scope shall be considered valid unless the vendor has obtained a written change order or contract amendment Issued by the Town of Westerly PRIOR to delivery.

Any offer, whether in response to a solicitation for proposals or bids, or made without a solicitation, which is accepted in the form of an order OR pricing agreement made in writing by the Town of Westerly's Purchasing Department, shall be considered a binding contract.

**GENERAL TERMS AND CONDITIONS OF CONTRACTS:** This solicitation and any contract or purchase order arising from it are issued in accordance with the specific requirements described herein, and the State's Purchasing Laws and Regulations and other applicable State Laws. The General Terms and Conditions are incorporated into all the Town of Westerly's contracts.

**ARRA SUPPLEMENTAL TERMS AND CONDITIONS:** Contracts and sub-awards funded in whole or in part by the American Recovery and Reinvestment Act of 2009. Pub. L. No. 111-5 and any amendments thereto, such contracts and sub-awards shall be subject to the Supplemental Terms and Conditions for Contracts and Sub-awards funded in whole or in part by the American Recovery and Reinvestment Act of 2009. Pub. L. No. 111-5 and any amendments thereto located on the Division of Purchases website at [www.purchasing.ri.gov](http://www.purchasing.ri.gov).

**EQUAL EMPLOYMENT OPPORTUNITY:** Compliance certificate and agreement procedures will apply to all awards for supplies or services valued at \$10,000 or more. Minority Business Enterprise policies and procedures, including subcontracting opportunities as described in Title 37 Chapter 14.1 of the Rhode Island General Laws also apply.

**PERFORMANCE BONDS:** Where indicated, successful bidder must furnish a 100% performance bond and labor and payment bond for contracts subject to Title 37 Chapters 12 and 13 of the Rhode Island General Laws. All bonds must be furnished by a surety company authorized to conduct business in the State of Rhode Island. Performance bonds must be submitted within 21 calendar days of the notice of award.

**DEFAULT and NON-COMPLIANCE:** Default and/or non-compliance with the requirements and any other aspects of the award may result in withholding of payment(s), contract termination, debarment, suspension, or any other remedy necessary that is in the best Interest of the Town of Westerly.

**COMPLIANCE:** Vendor must comply with all applicable federal, state and local laws, regulations and ordinances

**SPRINKLER IMPAIRMENT AND HOT WORK:** The Contractor agrees to comply with the practices of the Town/School's Insurance carrier for sprinkler impairment and hot work. Prior to performing any work, the Contractor shall obtain the necessary information for compliance from the Risk Management Office at the Department of Administration or the Risk Manager at the Town of Westerly/Westerly Public Schools.

PUBLIC COPY: Each bid proposal for a *public works project* must include a "public copy" to be available for public inspection upon the opening of bids. Bid Proposals that do not include a copy for public inspection will be deemed nonresponsive.

For further information on how to comply with this statutory requirement, see R.I. Gen. Laws §§ 37-2-18(b) and (j). Also see State of Rhode Island Procurement Regulation 5.11 at <http://www.purchasing.ri.gov/rulesandregulations/rulesAndRegulations.aspx>

**ALL CONTRACT AWARDS ARE SUBJECT TO THE FOLLOWING DISCLOSURES & CERTIFICATIONS**

**Offerors must respond to every disclosure statement and submit with your proposal.** A person authorized to enter into contracts must sign the offer and attest to the accuracy of all statements.

Indicate Yes (Y) or No (N):

\_\_\_ 1 State whether your company, or any owner, stockholder, officer, director, member, partner, or principal thereof, or any subsidiary or affiliated company, has been subject to suspension or debarment by any federal, state, or municipal government agency, or the subject of criminal prosecution, or convicted of a criminal offense with the previous five (5) years. If so, then provide details below.

\_\_\_ 2 State whether your company, or any owner, stockholder, officer, director, member, partner, or principal thereof, or any subsidiary or affiliated company, has had any contracts with a federal, state or municipal government agency terminated for any reason within the previous five (5) years. If so, then provide details below.

\_\_\_ 3 State whether your company or any owner, stockholder, officer, director, member, partner, or principal thereof, or any subsidiary or affiliated company, has been fined more than \$5000 for violation(s) of Rhode Island environmental laws by the Rhode Island Department of Environmental Management within the previous five (5) years. If so, then provide details below.

\_\_\_ 4 I/we certify that I/ we will immediately disclose, in writing, to the Purchasing Agent any potential conflict of interest which may occur during the course of the engagement authorized pursuant to this contract.

\_\_\_ 5 I/we acknowledge that, in accordance with (1) Chapter §37-2-54(c) of the Rhode Island General Laws "no purchase or contract shall be binding on the state or any agency thereof unless approved by the Department of Administration or made under general regulations which the Purchasing Agent may prescribe," including change orders and other types of contracts and under State Purchasing Regulation 8.2.1.1.2 any alleged oral agreement or arrangements made by a bidder or contractor with any department or an employee of the Town of Westerly/Westerly Public Schools may be disregarded and shall not be binding on the Town of Westerly/Westerly Public Schools.

\_\_\_ 6 I/we certify that I or my/our firm possesses all licenses required by Federal and State laws and regulations as they pertain to the requirements of the solicitation and offer made herein and shall maintain such required license(s) during the entire course of the contract resulting from the offer contained herein and, should my/our license lapse or be suspended, I/we shall immediately inform the Town of Westerly/Westerly Public Schools Purchasing Agent in writing of such circumstance.

\_\_ 7 I/we certify that I/ we will maintain required insurance during the entire course of the contract resulting from the offer contained herein and, should my/our insurance lapse or be suspended, I/we shall immediately inform the Town of Westerly/Westerly Public Schools Purchasing Agent in writing of such circumstance.

\_\_ 8 I/we certify that I/we understand that falsification of any information herein or failure to notify the Town of Westerly/Westerly Public Schools Purchasing Agent as certified herein may be grounds for suspension, debarment and/or prosecution for fraud.

\_\_ 9 I/we acknowledge that the provisions and procedures set forth in this form apply to any contract arising from this offer.

\_\_ 10 I/we acknowledge that I/we understand the State's Purchasing Laws (§37-2 of the General Laws of Rhode Island) and General Terms and Conditions available at the Rhode Island Division of Purchases Website (<http://www.purchasing.ri.gov>) apply as the governing conditions for any contract or purchase order I/we may receive from the Town of Westerly/Westerly Public Schools, including the offer contained herein.

\_\_ 11 I/we certify that the bidder: (i) is not identified on the General Treasurer's list, created pursuant to R.I. Gen. laws§ 37-2.5-3, as a person or entity engaging in investment activities in Iran described in§ 37-2.5-2(b); and (ii) is not engaging in any such investment activities in Iran.

\_\_ 12 If the product is subject to Department of Commerce Export Administration Regulations {EAR) or International Traffic in Arms Regulations (ITAR), please provide the Export Control Classification Number (ECCN) or the US Munitions List (USML) Category: \_\_\_\_\_

\_\_ 13 I/we certify that the above information is correct and complete.

IF YOU HAVE ANSWERED "YES" TO QUESTIONS #1- 3 OR IF YOU ARE UNABLE TO CERTIFY YES TO QUESTIONS #4 -11 and 13 OF THE FOREGOING, PROVIDE DETAILS/EXPLANATION IN AN ATTACHED STATEMENT. INCOMPLETE CERTIFICATION FORMS SHALL BE GROUNDS FOR DISQUALIFICATION OF OFFER.

Signature below commits vendor to the attached offer and certifies (1) that the offer has taken into account all solicitation amendments, (2) that the above statements and information are accurate and that vendor understands and has complied with the requirements set forth herein.

Vendor's Signature: \_\_\_\_\_ Bid Number: \_\_\_\_\_ Date: \_\_\_\_\_

(Person Authorized to enter into contracts; signature must be in ink) (if applicable)

Print Name and Title of Company official signing offer Telephone Number



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