

# AUDIT SERVICES

RFP #14/15-009

**SUBMITTALS DUE NOT LATER THAN: 4:00 PM ON JANUARY 14, 2015**



431 PRATER WAY  
P.O. BOX 857  
SPARKS, NV 89432-0857

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

**CITY OF SPARKS  
NOTICE TO PROPOSERS  
AUDIT SERVICES  
RFP #14/15-009**

NOTICE IS HEREBY GIVEN that the City of Sparks, Nevada, will receive written sealed proposals only, for the project listed above. Said proposals must be in the hands of the Contracts and Risk Manager at 431 Prater Way, Sparks, Nevada, NO LATER THAN **4:00 PM ON JANUARY 14, 2015**. Proposals postmarked prior to, but not received until after this deadline will not be accepted. Vendor submittals may not be sent to the City of Sparks via the Internet/e-mail and will not be entertained for award by the City of Sparks. The right is reserved to reject any Proposal or to accept the Proposal which is deemed by the City of Sparks to be in the best interest of the City of Sparks. The City of Sparks reserves the right to waive any irregularities and/or informalities in the proposal process.

All Proposals are to be marked clearly on the outside “RFP Number **14/15-009**, for **Audit Services**.”

**PROJECT DESCRIPTION:** The City of Sparks, Nevada, the Redevelopment Agency of the City of Sparks, and the Truckee Meadows Wastewater Reclamation Facility (ENTITIES) are requesting proposals from qualified firms of certified public accountants to audit their financial statements for the fiscal years ending June 30, 2015 through June 30, 2017, with the option of auditing their financial statements for each of the three (3) subsequent fiscal years not later than June 30, 2020.

The work to be performed under this Contract shall be commenced by the successful firm after all executed Contract documents have been submitted for each unique scope of work, and after being notified to proceed by the City of Sparks.

RFP documents and specifications may be obtained from the City of Sparks website. Please visit <http://www.cityofsparks.us/bids> to obtain complete bid documents. There is no cost to use the system or obtain documents, but registration at the site is required. It is the responsibility of all potential bidders/responders to monitor the Purchasing Division’s website for any changing information prior to submitting their bid/proposal. The City of Sparks will not be responsible for the timeliness or completeness of information provided by any 3<sup>rd</sup> party bid listing or re-selling service. For further information, contact the Purchasing Division at [dmarran@cityofsparks.us](mailto:dmarran@cityofsparks.us) or at (775) 353-2273. The individual responsible for coordinating this bid is: Dan Marran, CPPO, C.P.M. – Contracts and Risk Manager.

Reno Gazette Journal Legal Notices Section  
Publish Date: December 3, 2014  
Proof of publication required

## Proposer's Checklist

Firms are instructed to complete and return the following forms in order for their proposals to be complete. Failure to return the following items may result in your proposal being declared “non-responsive.”

1. \_\_\_\_\_ Proposer Information Sheets
2. \_\_\_\_\_ Acknowledgement and Execution Form
3. \_\_\_\_\_ Certification Regarding Debarment
4. \_\_\_\_\_ RFP Submittals as Detailed in the Special Conditions (1 hard copy, signed original and 1 electronic copy (PDF Format on disc or thumb drive) for each service submitted)
5. \_\_\_\_\_ This Checklist

Firm Name: \_\_\_\_\_

## Proposer Information

### COMPANY INFORMATION:

Company Name:
Contact Name:
Address:
City:
State / Zip Code:
Telephone Number including area code:
Fax Number including area code:
E-mail:

### COMPANY BACKGROUND

- 1) Has your company ever failed to complete any contracts awarded to it? No\_\_\_ Yes\_\_\_ (If yes, please provide details.)
- 2) Has your company filed any arbitration request or law suits on contracts awarded within the last five years? No\_\_\_ Yes\_\_\_ (If yes, please provide details.)
- 3) Does your company now have any legal suits or arbitration claims pending or outstanding against it or any officers relating to the performance of a public contract? No\_\_\_ Yes\_\_\_ (If yes, please provide details.)
- 4) Does your company now employ any officers or principals who were with another firm when that company failed to complete a contract within the last five years? No\_\_\_ Yes\_\_\_ (If yes, please provide details.)
- 5) Has your company had a contract partially or completely terminated for default (cause) within the past five years? No\_\_\_ Yes\_\_\_ (If yes, please provide details.)
- 6) Has your company been found non-responsible on a government bid within the last five years? No\_\_\_ Yes\_\_\_ (If yes, please provide details.)

## Proposer Information

### PROFESSIONAL LICENSE INFORMATION:

Licensing Body:
License Number:
Date Issued:
Date of Expiration:
Name of Licensee:
City, State, Zip Code of Licensee:
Telephone Number of Licensee:

**BUSINESS LICENSING INFORMATION** All vendors doing business within the City of Sparks are required to obtain and maintain a current business license from the City of Sparks prior to commencement of work (Sparks Municipal Code Section 5.08.020A). Vendor(s) awarded a contract resulting from this bid shall be required to obtain a current business license if they do not already hold one.

City of Sparks Business License Number:
Date Issued:
Date of Expiration:
Name of Licensee:
City, State, Zip Code of Licensee:
Telephone Number of Licensee:
Taxpayer Identification Number:

## Proposer Information

### DISCLOSURE OF PRINCIPALS:

**a) Individual and/or Partnership:**

Owner 1) Name:
Address:
City, State, Zip Code:
Telephone Number:
Owner 2) Name:
Address:
City, State, Zip Code:
Telephone Number:
Other 1) Title:
Name
Other 2) Title:
Name:

**b) Corporation:**

State in which Company is Incorporated:
Date Incorporated:
Name of Corporation:
Address
City, State, Zip Code:
Telephone Number:
President's Name:
Vice-President's Name:
Other 1) Name:
Title:

**CITY OF SPARKS ACKNOWLEDGMENT AND EXECUTION:**

STATE OF \_\_\_\_\_ )  
 ) SS  
County of \_\_\_\_\_ )

\_\_\_\_\_ (Name of Principal) being first duly sworn, deposes and says: That he/she is the Proposer, or authorized agent of the Proposer for whom the aforesaid described work is to be performed by; that he/she has read the Plans, Specifications, and related documents including but not limited to, any addenda issued and understands the terms, conditions, and requirements thereof; that if his/her proposal is accepted that he/she agrees to furnish and deliver all materials except those specified to be furnished by the City of Sparks (Owner) and to do and perform all work for the **AUDIT SERVICES**, Proposal # **14/15-009**, together with incidental items necessary to complete the work to be constructed and/or services to be provided in accordance with the Specifications, Plans, and Contract Documents annexed hereto.

**TO THE CONTRACTS AND RISK MANAGER OF THE CITY OF SPARKS:**

The undersigned, as Proposer, declares that the only persons or parties interested in this proposal, as principals, are those named herein, the Proposer is fully informed respecting the preparation and contents of the attached Proposal and of all pertinent circumstances respecting such Proposal: that this proposal is made without collusion with any other person, firm or corporation; that he/she has carefully examined the location of the proposed work; the proposed form of Contract, the Contract Provisions, Plans, Specifications and Contract Documents incorporated therein referred to and made part thereof; that he/she proposes and agrees if this proposal is accepted, that he/she will contract with the City of Sparks in the form of the Contract prescribed, to provide all necessary machinery, tools, apparatus and other means of construction, and to do all the work and furnish all the materials specified in the Contract and annexed Contract Provisions, Plans and Specifications, in the manner and time prescribed and according to the requirements of the Project Representative as therein set forth, it being understood and agreed that the quantities shown herein are approximate only and are subject to increase or decrease, and that he/she will accept, in full, payment therefore the indicated prices.

	Contractor/Proposer:
(Printed Name of Contractor/Proposer)	BY: _____
	Firm: _____
	Address: _____
	City: _____
	State / Zip Code: _____
	Telephone Number: _____
	Fax Number: _____
	E-mail Address: _____
(Signature of Principal)	Signature: _____
	DATED this _____ day of _____, 2015.

State of Nevada )  
 ) SS.  
County of \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, in the year 2015, before me,  
\_\_\_\_\_  
/Notary Public, personally appeared \_\_\_\_\_ Personally known to me (or proved

to me on the basis of satisfactory evidence) to be the person whose name is subscribed to this instrument, and acknowledged that he (she) executed it. WITNESS my hand and official seal.

Notary's Signature: \_\_\_\_\_ My commission Expires: \_\_\_\_\_

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER  
RESPONSIBILITY MATTERS**  
**(This form to be signed and returned at the time of bid)**

The prospective Proposer, \_\_\_\_\_ certifies to the best of its knowledge and belief that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. Any exceptions provided will not necessarily result in denial of award, but will be considered in determining bidder responsibility and whether or not the City will enter into contract with the party. For any exception noted, indicate on an attached sheet to whom it applies, initiating agency, and dates of action. Providing false information may result in criminal prosecution or administrative sanctions.

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Typed Name & Title of Authorized Representative

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Signature of Authorized Representative

Date

I am unable to certify to the above statement. My explanation is attached.

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



# **GENERAL CONDITIONS**

## General Conditions



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### GENERAL CONDITIONS

*Please Read Carefully*

*These Provisions Are a Part of Your Bid and any Contract Awarded*

**Scope of Bid/Proposal:** Bids/Proposals are hereby requested for **AUDIT SERVICES**, as per specifications herein.

**The bidder agrees that:**

- A. Bidder has carefully examined the specifications, and all provisions relating to the item(s) to be furnished or the work to be done; understands the meaning, intent, and requirements; and
- B. Bidder will enter into a written contract and furnish the item(s) or complete the work in the time specified, and in strict conformity with the City of Sparks specifications for the prices quoted.

**Note:** Bidder is defined as any individual, partnership, or corporation submitting a bid, proposal, or quotation in response to a request for bid (RFB), request for proposal (RFP), request for information (RFI) or request for quotation (RFQ). A bidder may also be referred to as a bidder, contractor, supplier or vendor.

The use of the title "Bidder," "Vendor", "Contractor" or "Consultant" within this solicitation document and any resulting contract shall be deemed interchangeable and shall refer to the person or entity with whom the City of Sparks is soliciting and/or contracting for the service or product referenced within the bid document.

**1. Prices:**

All prices and notations must be in ink or typewritten. Mistakes may be crossed out and corrections typed or written with ink adjacent to the error. Bids shall indicate the unit price extended to indicate the total price for each item bid. Any difference between the unit price correctly extended and the total price shown for all items bid shall be resolved in favor of the unit prices. Bidders are encouraged to review all prices prior to bid submittal, as withdrawal or correction may not be permitted after the bid has been opened.

**2. Firm Prices:**

Prices on bid shall be firm prices not subject to escalation unless otherwise provided for in the specifications. In the event the specifications provide for escalation, the maximum limit shall be shown, or the bid shall not be considered. In the event of a decline in market price below a price bid, the City of Sparks shall receive the benefit of such decline.

**3. Items Offered:**

If the item offered by the bidder has a trade name, brand and/or catalog number, such shall be stated in the bid. If the bidder proposes to furnish an item of a manufacturer or vendor other than that mentioned on the face hereof, bidder must specify maker, brand, quality, catalog number, or other trade designation. Unless such is noted on the bid form, it will be deemed that the item offered is that designated even though the bid may state "or equal".

**4. Brand Names:**

Whenever reference to a specific brand name is made by the City, it is intended to describe a component that has been determined to best meet operational, performance, or reliability standards of the City, thereby incorporating these standards by reference within the specifications. These specifications are not meant to limit the vendor; they are guidelines to minimum qualifications. The bidder shall indicate their compliance or non-compliance for each line of the specification. Any deviations from the specifications or where submitted literature does not fully support the meaning of the specifications must be clearly cited in writing by the bidder.

## General Conditions



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An equivalent (“or equal”) may be offered by the bidder, subject to evaluation and acceptance by the City. It is the bidder’s responsibility to provide, at bidder’s expense, samples, test data, or other documentation the City may require to fully evaluate and determine acceptability of an offered substitute. The City reserves the sole right to reject a substituted component that will not meet or exceed City standards.

**5. Samples:**

Samples may be required for bid evaluation and testing purposes. Bidders shall agree to provide samples upon request and at no additional cost to the City.

**6. Withdrawal of Bids:**

Bids may be withdrawn by written or facsimile notice received prior to the exact hour and date specified for receipt of bid. A bid may also be withdrawn in person by a bidder, or bidder’s authorized representative, prior to the exact hour and date set for receipt of bids. Telephone withdrawals are not permitted.

**7. Late Bids, Modifications, or Withdrawals:**

Bids, modifications of bids, or bid withdrawals received after the exact time and date specified for receipt will not be considered.

**8. Mistake in Bid:**

- (a) If the bidder discovers a mistake in bid prior to the hour and date specified for receipt of bid, bidder may correct the mistake by withdrawing the bid in accordance with Item 7 above and resubmit prior to the stated bid deadline.
- (b) If within seventy-two hours of the bid closing and prior to the issuance of a purchase order or a contract, the apparent low bidder discovers a mistake in bid of a serious and significant nature, bidder may request consideration be given to withdrawing the bid. The mistake must be evident and provable. The right is reserved by the City to reject any and all requests for withdrawal of bids. The decision of the Purchasing Manager is final as regards acceptance or rejection of requests for withdrawal after closing of bids.
- (c) A mistake in bid cannot be considered once a purchase order or contract is issued.

**9. Signature:**

All bids shall be signed and the title and firm name indicated. A bid by a corporation shall be signed by an authorized officer, employee or agent with his or her title.

**10. Exceptions:**

A bidder deviating from specifications must specify any and all deviation(s). Failure to note said exceptions shall be interpreted to convey that the bidder shall propose to perform in the manner described and/or specified in this bid solicitation. If exception(s) are taken or alternatives offered, complete descriptions must be shown separately.

**11. Confidential Information:**

Any information deemed confidential or proprietary should be clearly identified by the bidder as such. It may then be protected and treated with confidentiality only to the extent permitted by state law. Otherwise the information shall be considered a public record. Information or data submitted with a bid will not be returned.

**12. Quality:**

Unless otherwise required in the specifications, all goods furnished shall be new and unused.



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**13. Litigation Warranty:**

The bidder, by bidding, warrants that bidder is not currently involved in litigation or arbitration concerning the materials or bidder's performance concerning the same or similar material or service to be supplied pursuant to this contract of specification, and that no judgments or awards have been made against bidder on the basis of bidder's performance in supplying or installing the same or similar material or service, unless such fact is disclosed to the City in the bid. Disclosure may not disqualify the bidder. The City reserves the right to evaluate bids on the basis of the facts surrounding such litigation or arbitration and to require bidder to furnish the City with a surety bond executed by a surety company authorized to do business in the State of Nevada and approved by The City of Sparks in a sum equal to one hundred percent (100%) of the contract price conditional on the faithful performance by bidder of the contract in the event the bid is awarded to bidder, notwithstanding the litigation or arbitration.

**14. Royalties, Licenses and Patents:**

Unless otherwise specified, the bidder shall pay all royalties, license and patent fees. The bidder warrants that the materials to be supplied do not infringe any patent, trademark or copyright and further agrees to defend any and all suits, actions and claims for infringement that are brought against the City, and to defend, indemnify and hold harmless the City from all loss or damages, whether general, exemplary or punitive, as a result of any actual or claimed infringement asserted against the City, the bidder or those furnishing material to bidder pursuant to this contract.

**15. Performance Standards:**

Performance of work and acceptability of equipment or materials supplied pursuant to any contract or award shall be to the satisfaction and full discretion of the City.

**16. Americans with Disabilities Act (ADA) Standards:**

Bidders shall be required to comply with current ADA Standards in preparing their bids and executing work required under any contract resulting from this bid. Completed work must comply with current ADA Standards.

**17. Warranties:**

(a) Unless otherwise specified, all workmanship, material, labor or equipment provided under the contract shall be warranted by bidder and/or manufacturer for a minimum of twelve (12) months after acceptance by City. Greater warranty protection will be accepted. Lesser warranty protection must be indicated by bidder on the bid proposal as an exception.

(b) Bidder shall be considered primarily responsible to the City for all warranty service, parts and labor applicable to the goods or equipment provided by bidder under this bid or award, irrespective of whether bidder is an agent, broker, fabricator or manufacturer's dealer. Bidder shall be responsible for ensuring that warranty work is performed at a local agency or facility convenient to City and that services, parts and labor are available and provided to meet City's schedules and deadlines. If required and defined within the Scope of Work, the Bidder will post a performance bond after contract award to guarantee performance of these obligations. Bidder may establish a service contract with a local agency satisfactory to City to meet this obligation if bidder does not ordinarily provide warranty service.

**18. Addenda:**

The effect of all addenda to the bid documents shall be considered in the bid, and said addenda shall be made part of the bid documents and shall be returned with them. Before submitting a bid, each bidder shall ascertain

## General Conditions



whether or not any addenda have been issued, and failure to acknowledge any such addenda may render the bid invalid and result in its rejection.

### **19. Specifications to Prevail:**

The detailed requirements of the Specifications, Scope of Work or Special Conditions shall supersede any conflicting reference in these General Conditions or the stated language on the City of Sparks Standard Purchase Order that are in conflict therewith.

### **20. Taxes:**

The City is exempt from State, City and County Sales Taxes per NRS 372.325. The City will furnish Exemption Certificates for Federal Excise Tax when applicable.

### **21. Prevailing Wages:**

Bidder is responsible for complying with all applicable local, State and Federal wage laws, whether or not specifically cited in this bid document.

Per NRS Sections 338.020 through 338.090, certain projects defined as “public works” require the payment of the prevailing wage as determined by the Labor Commissioner. Generally speaking, projects/contracts for construction of a public work valued at less than \$100,000 are exempt from the prevailing wage requirement (NRS 338.080). Bidder shall be fully aware of the prevailing wage requirements of the State of Nevada as detailed in NRS Chapter 338 and price their bid response accordingly. Further information concerning Prevailing Wage rates can be found at:

<http://www.laborcommissioner.com/pwpw.html>

Federal “Davis Bacon” wages may be applicable if the funding for the project includes Federal funds. These requirements are detailed in the “Special Conditions – Federal Requirements” section that will be included in this bid document when such conditions apply.

### **22. Conflict of Interest:**

No City employee or elected or appointed member of City government, or member of the employee’s immediate family, may participate directly or indirectly in the procurement process pertaining to this bid if they:

- (a) Have a financial interest or other personal interest that is incompatible with the proper discharge of their official duties in the public interest or would tend to impair their independence, judgment or action in the performance of their official duties.
- (b) Are negotiating for or have an arrangement concerning prospective employment with bidder. The bidder warrants to the best of his knowledge that the submission of the bid will not create such conflict of interest. In the event such a conflict occurs, the bidder is to report it immediately to the Purchasing Manager. For breach or violation of this warranty, the City shall have the right to annul this contract without liability at its discretion, and bidder may be subject to damages and/or debarment or suspension.

### **23. Disqualification of Bidder:**

Any one or more of the following may be considered as sufficient for the disqualification of a prospective Bidder and the rejection of the Bid:

- (a) The Bidder is not responsive or responsible.
- (b) The quality of services, materials, equipment or labor offered does not conform to the approved plans and specifications.
- (c) There is evidence of collusion among prospective Bidders (Participants in such collusion will receive no recognition as Bidders).

## General Conditions



- (d) The Bidder lacks the correct contractor's license classification required for the defined scope of work.
- (e) Lack of competency, understanding of the scope of work, adequate machinery, plant and/or equipment as revealed in routine due diligence associated with bid evaluation.
- (f) Unsatisfactory performance record as shown by past work for the City of Sparks, judged from the standpoint of workmanship, progress, and quality of services/goods provided.
- (g) Uncompleted work which, in the judgment of the City of Sparks, might hinder or prevent the prompt completion of additional work, if awarded.
- (h) Failure to pay or satisfactorily settle all bills due for labor and/or material on any contract(s).
- (i) Failure to comply with any requirements of the City of Sparks.
- (j) Failure to list, as required, all subcontractors who will be employed by the Bidder.
- (k) Any other reason determined, in good faith, to be in the best interest of the City of Sparks.

### 24. Gratuities:

The City may rescind the right of the bidder to proceed under this agreement if it is found that gratuities in the form of entertainment, gifts, cash or otherwise are offered or given by the bidder, or any agent or representative of the bidder, to any officer or employee of the City with the intent of influencing award of this agreement or securing favorable treatment with respect to performance of this agreement.

### 25. Bidder's Security (This Section IS IS NOT Applicable to this bid):

A bid deposit in an amount equal to at least 5% of the bid may be required as a bid security by the City. The bid security may only be in cash, a cashier's or certified check made payable to the City of Sparks, or a bid bond. If the bid security is a bond, it shall be executed by a surety insurer authorized to issue surety bonds in the State of Nevada. All Bonding Companies must have an "A" rating or better with Moody's or A.M. Best Company, and be included on the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bond and as Acceptable Reinsuring Companies" as published in circular 570 (as amended) by the audit staff, Bureau of Accounts, U.S. Treasury Department. (In other words, the company is T-listed.) The bid security must be executed by the bidder and enclosed with the bid proposal in the sealed bid envelope.

### 26. Performance and Payment Bonds:

Per NRS 339.025, before any contract, except one subject to the provisions of chapter 408 of NRS, exceeding \$100,000 for any project for the new construction, repair or reconstruction of any public building or other public work or public improvement of any contracting body is awarded to any contractor, he shall furnish to the contracting body the following bonds which become binding upon the award of the contract to the contractor (All Bonding Companies must have an "A" rating or better with Moody's or A.M. Best Company, and be included on the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bond and as Acceptable Reinsuring Companies" as published in circular 570 (as amended) by the audit staff, Bureau of Accounts, U.S. Treasury Department. (In other words, the company is T-listed.)):

#### Performance Bond (This Section IS IS NOT Applicable to this bid):

The Contractor awarded this bid will be required to furnish the City with a surety bond conditioned upon the faithful performance of the contract. This may take the form of a bond executed by a surety company authorized to do business in the State of Nevada and approved by the City of Sparks. The bond shall be in a sum equal to one hundred percent (100%) of the amount of the contract price. Such bond shall be forfeited to the City in the event that bidder receiving the contract shall fail or refuse to fulfill the requirements and all terms and conditions of the contract.

**General Conditions**



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**Payment Bond (This Section  IS  IS NOT Applicable to this bid):**

The Contractor awarded this bid will be required to furnish the City with a payment bond. This may take the form of a bond executed by a surety company authorized to do business in the State of Nevada and approved by the City of Sparks. The bond shall be in a sum equal to one hundred percent (100%) of the amount of the contract price. The bond must be solely for the protection of claimants supplying labor or materials to the contractor to whom the contract was awarded, or to any of his subcontractors, in the prosecution of the work provided for in such contract.

**27. Indemnification:**

To the fullest extent permitted by law, upon award, Contractor shall hold harmless, indemnify, defend and protect City, its affiliates, officers, agents, employees, volunteers, successors and assigns (“Indemnified Parties”), and each of them from and against any and all claims, demands, causes of action, damages, costs, expenses, actual attorney’s fees, losses or liabilities, in law or in equity, of every kind and nature whatsoever (“Claims”) arising out of or related to any act or omission of Contractor, its employees, agents, representatives, or Subcontractors in any way related to the performance of work under this Agreement by Contractor, or to work performed by others under the direction or supervision of Contractor, including but not limited to:

1. Personal injury, including but not limited to bodily injury, emotional injury, sickness or disease, or death to persons;
2. Damage to property of anyone, including loss of use thereof;
3. Penalties from violation of any law or regulation caused by Contractor’s action or inaction;
4. Failure of Contractor to comply with the Insurance requirements established under this Agreement;
5. Any violation by Contractor of any law or regulation in any way related to the occupational safety and health of employees.

In determining the nature of the claim against City, the incident underlying the claim shall determine the nature of the claim, notwithstanding the form of the allegations against City.

If City’s personnel are involved in defending such actions, Contractor shall reimburse City for the time and costs spent by such personnel at the rate charged City for such services by private professionals.

**28. Insurance:**

BIDDERS' ATTENTION IS DIRECTED TO THE INSURANCE REQUIREMENTS BELOW. IT IS HIGHLY RECOMMENDED THAT BIDDERS CONFER WITH THEIR RESPECTIVE INSURANCE CARRIERS OR BROKERS TO DETERMINE IN ADVANCE OF BID SUBMISSION THE AVAILABILITY OF INSURANCE CERTIFICATES AND ENDORSEMENTS AS PRESCRIBED AND PROVIDED HEREIN. IF THE APPARENT LOW BIDDER FAILS TO COMPLY STRICTLY WITH THE INSURANCE REQUIREMENTS, THAT BIDDER MAY BE DISQUALIFIED FROM AWARD OF THE CONTRACT.

Should work be required on City premises or within the public right-of-way, upon award of the contract, the bidder shall provide proof of Commercial General Liability Insurance and Automobile Liability, Professional Liability and Workers’ Compensation if applicable, prior to initiation of any services under City, Bid, Proposal or Contract. Coverage shall be from a company authorized to transact business in the State of Nevada and the City of Sparks and shall meet the following minimum specifications:

**General Conditions**



Contractor shall at its own expense carry and maintain at all times the following insurance coverage and limits of insurance. Contractor shall also cause each subcontractor employed by Contractor to purchase and maintain insurance of the type specified herein. All insurers must have AM Best rating not less than A-VII, and be acceptable to the City. Contractor shall furnish copies of certificates of insurance evidencing coverage for itself and for each subcontractor. Failure to maintain the required insurance may result in termination of this contract at City’s option. If Contractor fails to maintain the insurance as set forth herein, City shall have the right, but not the obligation, to purchase said insurance at Contractor’s expense.

Contractor shall provide proof of insurance for the lines of coverage, limits of insurance and other terms specified below prior to initiation of any services. Coverage shall be from a company authorized to transact business in the State of Nevada and the City of Sparks and shall meet the following minimum specifications,

Contractor and any of its subcontractors shall carry and maintain coverage and limits no less than the following or the amount customarily carried by Contractor or any of its subcontractors, whichever is greater.

<b>Applicable to this Contract</b>	<b>Insurance Type</b>	<b>Minimum Limit</b>	<b>Insurance Certificate</b>	<b>Additional Insured</b>	<b>Waiver of Subrogation</b>
<b>Yes</b>	General Liability	\$1,000,000	✓	✓	✓
<b>Yes</b>	Automobile Liability	\$1,000,000	✓	✓	
<b>Yes</b>	Workers’ Compensation	Statutory	✓		✓
<b>Yes</b>	Employer’s Liability	\$1,000,000	✓		
<b>Yes</b>	Professional Liability	\$1,000,000	✓		
<b>No</b>	Pollution Legal Liability	\$1,000,000	✓		

**Commercial General Liability**

Contractor shall carry and maintain a Commercial General Liability policy providing coverage for liability arising from premises, operations, independent contractors, products-completed operations liability, personal and advertising injury, and liability assumed under an insured contract (including, but not limited to, the tort liability of another assumed in a business contract).

There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage, employment-related practices, unless Subcontractor carries and maintains separate policies providing such coverage and provides Contractor evidence of insurance confirming the coverage.

***Minimum Limits of Insurance***

- \$1,000,000** Each Occurrence Limit for bodily injury and property damage
- \$2,000,000** General Aggregate Limit
- \$2,000,000** Products and Completed Operations Aggregate Limit
- \$10,000** Medical Expense Limit

If Commercial General Liability Insurance or other form with a general aggregate limit is used, the general aggregate limit shall be increased to equal twice the required occurrence limit or revised to apply separately to this PROJECT or LOCATION.



## General Conditions



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### ***Coverage Form***

Coverage shall be at least as broad as the unmodified Insurance Services Office (ISO) Commercial General Liability (CGL) "Occurrence" form CG 00 01 12/04 or substitute form providing equivalent coverage.

### ***Additional Insured***

City, its officers, agents, employees, and volunteers are to be included as insureds in respects to damages and defense arising from: activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor; products and completed operations of Contractor; premises owned, occupied, or used by Contractor; or automobiles owned, leased, hired, or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, employees, or volunteers. Additional insured status for City shall apply until the expiration of time within which a claimant can bring suit per applicable state law.

### ***Primary and Non-Contributory***

Contractor's insurance coverage shall be primary insurance as it relates to City, its officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by City, its officers, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it in any way.

### ***Separation of Insureds***

Contractor's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

### ***Endorsements***

A policy endorsement is required listing all required additional insureds. The endorsement for CGL shall be at least as broad as the unmodified ISO additional insured endorsement CG 20 10 11/85 or a substitute form providing equivalent coverage for products and completed operations.

A waiver of subrogation in favor of City shall be endorsed to the policy using an unmodified Waiver of Transfer of Rights of Recovery of Others to Us ISO CG 24 04 05 09, or a substitute form providing equivalent coverage.

## **Business Automobile Liability**

### ***Minimum Limits of Insurance***

**\$1,000,000** Combined Single Limit per accident for bodily injury and property damage or the limit customarily carried by Contractor, whichever is greater. No aggregate limit may apply. Coverage may be combined with Excess/Umbrella Liability coverage to meet the required limit.

### ***Coverage Form***

Coverage shall be at least as broad as the unmodified Insurance Services Office (ISO) Business Automobile Coverage form CA 00 01 10/01, CA 00 05, CA 00 12 or substitute form providing equivalent coverage for Automobile Liability Symbol 1 for "Any Auto". If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01.

### ***Additional Insured***

City, its officers, agents, employees, and volunteers are to be included as insureds with respect to damages and defense arising from: activities performed by or on behalf of Contractor, including the insured's general

**General Conditions**



supervision of Contractor; products and completed operations of Contractor; premises owned, occupied, or used by Contractor; or automobiles owned, leased, hired, or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, employees, or volunteers. Additional insured status for City shall apply until the expiration of time within which a claimant can bring suit per applicable state law.

***Endorsements***

A policy endorsement is required listing all required additional insureds. The endorsement for Business Automobile Liability shall be at least as broad as the unmodified ISO CA 20 48 02/99 or a substitute form confirming City’s insured status for Liability Coverage under the Who Is An Insured Provision contained in Section II of the coverage form ISO CA 00 01 10/01.

**Workers’ Compensation and Employer’s Liability**

Contractor shall carry and maintain workers’ compensation and employer’s liability insurance as required by NRS 616B.627 or provide proof that compliance with the provisions of Nevada Revised Statutes Chapters 616A-D and all other related chapters is not required. It is understood and agreed that there shall be no coverage provided for Contractor or any Subcontractor of the Contractor by the City. Contractor agrees, as a precondition to the performance of any work under this Agreement and as a precondition to any obligation of the City to make any payment under this Agreement to provide City with a certificate issued by an insurer in accordance with NRS 616B.627 and with a certificate of an insurer showing coverage pursuant to NRS 617.210.

It is further understood and agreed by and between City and Contractor that Contractor shall procure, pay for and maintain the above mentioned coverage at Contractor's sole cost and expense.

Should Contractor be self-funded for workers’ compensation and employer’s liability insurance, Contractor shall so notify City in writing prior to the signing of this Contract. City reserves the right to approve said retentions, and may request additional documentation, financial or otherwise, for review prior to the signing of this Contract.

***Minimum Limits of Insurance***

Workers’ Compensation: Statutory Limits  
Employer’s Liability: **\$1,000,000** Bodily Injury by Accident – Each Accident  
**\$1,000,000** Bodily Injury by Disease – Each Employee  
**\$1,000,000** Bodily Injury by Disease – Policy Limit

***Coverage Form***

Coverage shall be at least as broad as the unmodified National Council on Compensation Insurance (NCCI) Workers Compensation and Employer’s Liability coverage form WC 00 00 04/92 or substitute form providing equivalent coverage.

***Waiver of Subrogation Endorsement***

Contractor and its insurer agree to waive their rights of subrogation for any payments made under this coverage. A policy endorsement at least as broad as the unmodified NCCI Waiver of Our Right to Recover From Others endorsement WC 00 03 13 04/84 or a substitute form providing equivalent coverage is required waiving the insurer’s right to recover payments from the City.



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**OTHER INSURANCE COVERAGES (IF APPLICABLE)**

**Professional Liability Insurance (if Applicable)** \$1,000,000 per occurrence limits of liability or whatever limit is customarily carried by the Contractor, whichever is greater, for design, design-build or any type of professional services with a minimum of three (3) years reporting of claims following completion of the project.

**Contractors Pollution Liability Insurance (If Applicable)-** \$1,000,000 per occurrence and \$2,000,000 aggregate or whatever amount is acceptable to the City for any exposure to “hazardous materials” as this term is defined in applicable law, including but not limited to waste, asbestos, fungi, bacterial or mold.

Lower tier sub-subcontractors, Truckers, Suppliers: Evidence confirming lower tier subcontractors, truckers and suppliers are maintaining valid insurance prior to beginning work on the project to meet the requirements set forth herein on Subcontractor, including but not limited to all additional insured requirements of Subcontractor.

**ALL COVERAGES**

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, or non-renewed by either CONTRACTOR or by the insurer, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to CITY except for nonpayment of premium.

**OTHER INSURANCE PROVISIONS**

Should City and Contractor agree that higher coverage limits are needed warranting a project policy, project coverage shall be purchased and the premium for limits exceeding the above amount may be borne by City. City retains the option to purchase project insurance through Contractor's insurer or its own source.

Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officers, agents, employees, or volunteers.

**ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a Best's rating of no less than A-VII and acceptable to the City.. City, with the approval of the Risk Manager, may accept coverage with carriers having lower Best's ratings upon review of financial information concerning Contractor and insurance carrier. City reserves the right to require that Contractor's insurer be a licensed and admitted insurer in the State of Nevada, or on the Insurance Commissioner's approved but not admitted list.

**VERIFICATION OF COVERAGE**

Contractor shall furnish City with certificates of insurance and with original endorsements affecting coverage required by this contract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Prior to the start of any Work, Contractor must provide the following documents to City of Sparks, Attention: Purchasing Division, P.O. Box 857, Sparks, NV 89432-0857:

- A. **Certificate of Insurance.** Contractor must provide a Certificate of Insurance form to the City of Sparks to evidence the insurance policies and coverage required of Contractor.
  
- B. **Additional Insured Endorsements.** An original Additional Insured Endorsement, signed by an authorized insurance company representative, must be submitted to the City of Sparks, by attachment to the Certificate of Insurance, to evidence the endorsement of the City of Sparks as additional insured.

## General Conditions



**C. Policy Cancellation Endorsement.** Except for ten days notice for non-payment of premium, each insurance policy shall be endorsed to specify that without thirty (30) days prior written notice to the City of Sparks, the policy shall not be cancelled, non-renewal or coverage and/or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mailed to the address specified above. A copy of this signed endorsement must be attached to the Certificate of Insurance.

**D. Bonds (as Applicable).** Bonds as required and/or defined in the original bid documents.

**All certificates and endorsements are to be addressed to the City of Sparks, Purchasing Division and be received and approved by City before work commences.** The City reserves the right to require complete certified copies of all required insurance policies at any time.

### **SUBCONTRACTORS**

Contractor shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.

### **MISCELLANEOUS CONDITIONS**

1. Contractor shall be responsible for and remedy all damage or loss to any property, including property of City, caused in whole or in part by Contractor, any Subcontractor, or anyone employed, directed, or supervised by Contractor.
2. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payment of damages to persons or property resulting from its operations or the operations of any Subcontractors under it.
3. In addition to any other remedies City may have if Contractor fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:
  - a. Purchase such insurance to cover any risk for which City may be liable through the operations of Contractor under this Agreement and deduct or retain the amount of the premiums for such insurance from any sums due under the Agreement;
  - b. Order Contractor to stop work under this Agreement and/or withhold any payments which become due Contractor here under until Contractor demonstrates compliance with the requirements hereof; or,
  - c. Terminate the Agreement.

### **29. Safety Program:**

Upon award, the Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work. The Contractor shall take all necessary precautions for the safety of, and shall provide all necessary protection to prevent damage, injury, or loss to:

1. All employees on the work site and all other persons who may be affected thereby.
2. All the work, materials, and equipment to be incorporated therein, whether in storage on or off the site.
3. Other property at the site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, and utilities not designated for removal, relocation, or replacement in the course of construction.

## General Conditions



Contractor shall comply with all applicable laws, ordinances, rules, regulations, and others of any public authority having jurisdiction for the safety of persons or property or to protect them from damage, injury, or loss. He shall erect and maintain, as required by existing conditions and progress on the work, all necessary safeguards for safety and protection, including posting danger signs, other warnings against hazards, promulgating safety regulations, and notifying owners and users of adjacent utilities. Contractor shall comply with OSHA'S Hazard Communication Standards.

Contractor shall designate a responsible member of its organization at the site whose duty shall be the prevention of accidents. This person shall be Contractor's superintendent unless otherwise designated in writing by Contractor to the Owner and the Engineer.

### **30. Award of Contract:**

- (a) Bids/Proposals will be analyzed and award will be made to the lowest, responsive and responsible bidder whose bid conforms to the solicitation and whose bid is considered to be most advantageous to the City, price and other factors considered. Factors to be considered may include, but are not limited to: bidder's past performance, total unit cost, economic cost analysis, life cycle costs, warranty and quality, maintenance cost, durability, the operational requirements of the City and any other factors which will result in the optimum economic benefit to the City.
- (b) The City reserves the right to reject any item or items, to waive informalities, technical defects and minor irregularities in bids/proposals received; and to select the bid(s) or proposal(s) deemed most advantageous to the City. Should the City elect to waive a right it will not constitute an automatic waiver of that right in the future nor will it impact any other right or remedy. The City may consider bids/proposals submitted on an "all or nothing" basis if the bid/proposal is clearly designated as such.
- (c) The City reserves the right to award one or more contracts on the bids/proposals submitted, either by award of all items to one bidder or by award of separate items or groups of items to various bidders as the interests of the City may require, unless the bidder clearly specifies otherwise in his bid.
- (d) Upon acceptance by the City of Sparks, the solicitation, bid, proposal, or price quotation and issuance of a purchase order issued to the successful bidder shall be deemed to result in a binding contract incorporating those terms and these General Conditions without further action required by either party. Items are to be furnished as described in the bid and in strict conformity with all instructions, conditions, specifications, and provisions in the complete contract, as defined by this clause or any related integrated agreement.

### **31. Request for Proposal (RFP) Submittals:**

In the case of Request for Proposals (RFP's), it should be noted that the documents submitted by prospective bidders are competitive sealed proposals and not competitive sealed bids. When proposals are opened, prices and other information will not be made public until the proposal is awarded. There shall be no disclosure of any bidder's information to competing bidders prior to the award of the proposal.

By their nature, proposals will include a number of variables that will vary based on the complexity of the product or service addressed within the proposal. Therefore, the evaluation of RFP's and the recommendation for award will not be based on price alone. Selection criteria will be better defined for each scope of work in the Special Conditions section of this bid.

Upon award of the contract, the executed contract and proposals will become public information. Accordingly, each proposal should be submitted on the vendor's most favorable terms from a price and technical standpoint.

## General Conditions



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### 32. Bidder Preference Law (This Section IS IS NOT Applicable to this bid):

This project will be bid and awarded under the Provisions(s) of NRS 338.147, which restricts preference given to certain contractors on Public Works Projects. The NRS cited in this section is meant to be a reference only. Each bidder shall acquaint himself with the latest provisions of NRS 338.147.

If the Contract for any Public Works Construction Project is expected to cost \$250,000 or more, then all Contractors must be able to submit upon request, a copy of their Certificate of Bidder Preference issued by the State Contractor's Board to be eligible for bidder preference (Call 775-688-1141 or 775-486-1100 to obtain certification information from the State Contractors Board).

To the extent Contractor has sought, qualified and receives a bidding preference on this project, pursuant to Nevada Revised Statutes Chapter 338, Contractor acknowledges and agrees that the following requirements will be adhered to, documented and attained for the duration of the Project:

1. At least 50 percent of the workers employed on the Project (including subcontractors) hold a valid driver's license or identification card issued by the Nevada Department of Motor Vehicles;
2. All vehicles used primarily for the public work will be (a) registered and (where applicable) partially apportioned to Nevada; or (b) registered in Nevada.
3. At least 50 percent of the design professionals who work on the Project (including sub-contractors) hold a valid driver's license or identification card issued by the Nevada Department of Motor Vehicles;
4. At least 25 percent of the material suppliers used for the Project are located in Nevada; and
5. The Contractor shall maintain and make available for inspection within Nevada all payroll records related to the Project.

Contractor recognizes and accepts that failure to comply with any requirements herein shall be a material breach of the contract and entitle the City of Sparks to liquidated damages in the amount set by statute. In addition, the Contractor recognizes and accepts that failure to comply with any requirements herein may lose its certification for a preference in bidding and/or its ability to bid on any contracts for public works pursuant to NRS Chapter 338.

To the extent Contractor has sought, qualified and receives a bidding preference, and this project has a value of over \$250,000 pursuant to Nevada Revised Statutes Chapter 338, each contract between the contractor, applicant or design-build team and a subcontractor must provide for the apportionment of liquidated damages assessed pursuant to this section if a person other than the Contractor was responsible for the breach of a contract for a public work caused by a failure to comply with a requirement of Items 1-5 within this section. The apportionment of liquidated damages must be in proportion to the responsibility of each party for the breach.

This section shall not be applicable for projects in which some or all of the funding comes from Federal sources.

### 33. Tie Bids:

Should identical low, responsive and responsible bids be received from two or more bidders, the City of Sparks Purchasing Manager shall notify all parties involved in the tie and may at his option, exercise one of the following tie breaking methods unless another alternative is apparent and prudent:

## General Conditions



- a) Tie Bid (two vendors): The City of Sparks Purchasing/Contract Manager, with a witness present, may flip a coin with heads representing the bidder whose tie bid was first received by the City of Sparks. If the toss is heads, the recommendation will be to this bidder; if tails, the recommendation will be made in favor of the second tied bidder.
- b) Tie Bid (two or more vendors): Should there be two or more low, responsive and responsible tie bids where representatives of the bidders wish to participate in the tie breaking process, the City of Sparks Purchasing/Contracts Manager shall set a mutually agreed upon time where, in his office, he shall shuffle a new deck of playing cards and have each bidder's representative cut the cards. The tie bidder who cuts the highest card (with Ace high) shall be recommended for bid award.

### **34. Appeals/Protests – Bids Only (Not Applicable to Request for Proposals):**

A person who submits a bid on a contract may, after the bids are opened and within 5 business days after the date the "Recommendation to Award" is issued by the City, unless otherwise stated in the Special Conditions, file a notice of protest regarding the awarding of the contract. The City's "Recommendation to Award" will be dated and posted on the City's public website within the area where bid notices and bid re-caps are posted (Currently: <http://www.cityofsparks.us/departments/financial-services/purchasing/bids-rfps>).

- (a) A notice of protest must include a written statement setting forth with specificity the reasons the person filing the notice believes the applicable provisions of law were violated.
- (b) A person filing a notice of protest may be required by the governing body or its authorized representative, at the time the notice of protest is filed, to post a bond with a good and solvent surety authorized to do business in this State or submit other security, in a form approved by the governing body or its authorized representative, to the governing body or its authorized representative who shall hold the bond or other security until a determination is made on the protest. A bond posted or other security submitted with a notice of protest must be in an amount equal to the lesser of:
  - (1) Twenty-five percent of the total value of the bid submitted by the person filing the notice of protest; or
  - (2) Two hundred fifty thousand dollars (\$250,000).
- (c) A notice of protest filed in accordance with the provisions of this section operates as a stay of action in relation to the awarding of any contract until a determination is made by the governing body or its authorized representative on the protest.
- (d) A person who submits an unsuccessful bid may not seek any type of judicial intervention until the governing body or its authorized representative has made a determination on the protest and awarded the contract.
- (e) A governing body or its authorized representative is not liable for any costs, expenses, attorney's fees, loss of income or other damages sustained by a person who submits a bid, whether or not the person files a notice of protest pursuant to this section.
- (f) If the protest is upheld, the bond posted or other security submitted with the notice of protest must be returned to the person who posted the bond or submitted the security. If the protest is rejected, a claim may be made against the bond or other security by the governing body or its authorized representative in an amount equal to the expenses incurred by the governing body or its authorized representative because of the unsuccessful protest. Any money remaining after the claim has been satisfied must be returned to the person who posted the bond or submitted the security.

### **35. Documentation:**

Due to the time constraints that affect contract performance, all required documents, certificates of insurance and bonds shall be provided to the City within ten (10) calendar days following award or date of request by

## General Conditions



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City, whichever is later. Any failure to comply may result in bid being declared non-responsive and rejected, and at City's option, the bid bond may be attached for damages suffered.

### **36. Discounts:**

- (a) Prompt payment discounts will not be considered in evaluating bids for award. However, offered discounts will be taken if payment is made within the discount period, even though not considered in the evaluation of bids.
- (b) In connection with any discount offered, time will be computed from date of delivery and acceptance, or invoice receipt, whichever is later. Payment is deemed to be made for the purpose of earning the discount on the date of mailing of the City check.
- (c) Any discount offered other than for prompt payment should be included in the net price quoted and not included in separate terms. In the event this is not done, the City reserves the right to accept the discount offered and adjust prices accordingly on the Purchase Order.

### **37. Seller's Invoice:**

Invoices shall be prepared and submitted in duplicate to the address shown on the Purchase Order. Separate invoices are required for each Purchase Order. Invoices shall contain the following information: Purchase Order number, item number, description of supplies or services, sizes, unit of measure, quantity, unit price and extended totals.

### **38. Inspection and Acceptance:**

Inspection and acceptance will be at destination unless specified otherwise, and will be made by the City department shown in the shipping address or other duly authorized representative of the City. Until delivery and acceptance, and after any rejection, risk of loss will be on the bidder unless loss results from negligence of the City.

### **39. Lost and Damaged Shipments:**

Risk of loss or damage to items prior to the time of their receipt and acceptance by the City is upon the bidder. The City has no obligation to accept damaged shipments and reserves the right to return at the bidder's expense damaged merchandise even though the damage was not apparent or discovered until after receipt of the items.

### **40. Late Shipments:**

Bidder is responsible to notify the City department receiving the items and the Purchasing Manager of any late or delayed shipments. The City reserves the right to cancel all or any part of an order if the shipment is not made as promised.

### **41. Document Ownership:**

All technical documents and records originated or prepared pursuant to this contract, including papers, reports, charts, and computer programs, shall be delivered to and become the exclusive property of the City and may be copyrighted by the City. Bidder assigns all copyrights to City by undertaking this agreement.

### **42. Advertisements, Product Endorsements:**

City employees and agencies or organizations funded by the City of Sparks are prohibited from making endorsements, either implied or direct, of commercial products or services without written approval of the City Manager. No bidder may represent that the City of Sparks has endorsed their product or service without prior written approval.





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**43. Optional Cooperative Purchase Agreement**

It is intended that any other public agency (i.e., city, county, district, public agency, municipality or state agency) shall have the option to participate (A.K.A. “join” or “piggyback”) in any award made as a result of this solicitation. The City of Sparks shall incur no financial responsibility in connection with purchase orders or contracts made by the bidder with another public agency resulting from this solicitation. The public agency utilizing the original contract shall accept sole responsibility for placing orders and making applicable payments to the vendor. Should the Bidder not wish for a contract resulting from this bid to be used by other public agencies, they have the option to decline that option at the time of request.

**44. Vendor Workplace Policies**

No Vendor providing a service, program or activity to the public on behalf of the City shall discriminate against any person because of sex, race, color, creed, national origin or disability. Vendor, if providing a service, program or activity to the public on behalf of the City, shall comply with the Americans with Disability Act and City's policies pursuant thereto when providing said service, program or activity.

The City of Sparks is an Affirmative Action/Equal Opportunity Employer. Bidders shall be cognizant of the requirements for compliance with Executive Order 11246, entitled "Equal Employment Opportunity" as amended by Executive Order 11375 and as supplemented in regulations of the U.S. Department of Labor (41 CFR part 60).

**45. Business License Requirement:**

All companies doing business with, or within, the City of Sparks are required to obtain and maintain a current business license from the City of Sparks prior to the commencement of work per Sparks Municipal Code Section 5.08.020A. Bidder(s) awarded a contract resulting from this bid shall be required to obtain a current business license if they do not already possess one.

**46. City Provisions to Prevail:**

Except as indicated in the specifications, the City's standard General Conditions shall govern any contract award. Any standard terms and conditions of bidder submitted by bidder shall not be acceptable to City unless expressly agreed to by the City. The City reserves the right to reject bidder's bid as non-responsive, to consider the bid without bidder's standard terms and conditions, or to require bidder to delete reference to such, as a condition of evaluation or award of the bid. If, after award of contract, bidder (contract vendor) provides materials or services accompanied by new or additional standard terms or conditions, they too shall be considered void and City may require deletion as a further condition of performance by vendor.

**47. Invalid Provisions:**

In the event that any one or more of the provisions of this agreement shall be found to be invalid, illegal or unenforceable, the remaining provisions shall remain in effect and be enforceable.

**48. Amendments and Modifications:**

The Purchasing Manager may at any time, by written order, and without notice to the sureties, make a modification to the contract or an amendment to the Purchase Order, within the general scope of this contract, in (1) quantity of materials or service, whether more or less; (2) drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the City; (3) method of shipment or packing; and (4) place of delivery. If any such change causes an increase or decrease in the cost or the time required for the performance of this contract, an equitable adjustment shall be made by written modification of the contract or amendment to the Purchase Order. Any claim by the bidder for adjustment under this clause must be asserted within 30 calendar days from the notification date.

## General Conditions



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### 49. Assignment:

Vendor shall not assign or delegate duties or responsibilities under this agreement, in whole or in part, without prior written approval of the City.

### 50. Disputes After Award:

Except as otherwise provided in these provisions, any dispute concerning a question of fact arising under this contract which is not disposed of by agreement shall be decided by the Purchasing Manager, who shall reduce this decision to writing and mail a copy to the bidder. The decision of the Purchasing Manager shall be final and conclusive, unless bidder requests arbitration within ten (10) calendar days. Pending final decision of a dispute, the bidder shall proceed diligently with the performance of the contract and in accordance with the Purchasing Manager's decision.

### 51. Arbitration after Award:

Any and all disputes, controversies or claims arising under or in connection with the contract resulting from this bid, including without limitation, fraud in the inducement of this Contract, or the general validity or enforceability of this Contract, shall be governed by the laws of the State of Nevada without giving effect to conflicts of law principles, may be submitted to binding arbitration before one arbitrator, and shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association in a private manner in Washoe County, Nevada. This award shall be final and judgment may be entered upon it in any court having jurisdiction thereof. In reaching this final award, the arbitrator shall have no authority to change or modify any provision of this Contract. All other expenses of arbitration shall be borne equally by the parties. All fees, including legal fees, shall be borne by the party who incurred them. All costs of enforcement shall be borne by the losing party. Each party shall have the right to discovery in accordance with the Nevada Rules of Civil Procedure.

### 52. Lawful Performance:

Vendor shall abide by all Federal, State and Local Laws, Ordinances, Regulations, and Statutes as may be related to the performance of duties under this agreement. In addition, all applicable permits and licenses required shall be obtained by the vendor, at vendor's sole expense.

### 53. Annual Appropriation of Funds:

Multi-year term supply and service contracts and leases are subject to annual appropriation of funds by the City Council. The City plans and makes appropriations to the City Budget with respect to a fiscal year that starts July 1<sup>st</sup> and ends June 30<sup>th</sup> of each year. Payments made under term contracts and leases are considered items of current expense. Purchase Orders are funded when issued; therefore, they are current expense items and are not subject to any subsequent appropriation of funds.

Continuance of a multi-year contract beyond the limits of funds available shall be contingent upon appropriation of the requisite funds in the ensuing fiscal year and the termination of this contract due to lack of appropriation shall be without penalty.

### 54. Extension:

When in the City's best interest, this agreement may be extended on a daily, month-to-month, or annual basis by mutual agreement of both parties. Services and/or materials received under an extension shall be in accordance with pricing, terms, and conditions, as described herein.

## General Conditions



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### 55. Termination:

The City may terminate this agreement and be relieved of any consideration to the vendor should vendor fail to perform in the manner required. Furthermore, the City may terminate this agreement for any reason without penalty upon giving thirty (30) days written notice to the vendor. In the event of termination, the full extent of City liability shall be limited to an equitable adjustment and payment for materials and/or services authorized by and received to the satisfaction of the City prior to termination.

### 56. Venue:

This agreement shall be governed by and interpreted according to the laws of the State of Nevada, and venue for any proceeding shall be in Washoe County.

# **Special Conditions and Specifications (Specific to Project)**

**In instances where the Special Conditions conflict with the General Conditions, the Special Conditions will prevail with respect to that instance or item(s).**

# SCOPE OF WORK AUDIT SERVICES RFP #14/15-009

## GENERAL INFORMATION

The City of Sparks, Nevada, the Redevelopment Agency of the City of Sparks, and the Truckee Meadows Wastewater Reclamation Facility (ENTITIES) are requesting proposals from qualified firms of certified public accountants to audit their financial statements for the fiscal years ending June 30, 2015 through June 30, 2017, with the option of auditing their financial statements for each of the three (3) subsequent fiscal years not later than June 30, 2020.

### RFP RESPONSE FORMAT

*One original (hard copy, signed) and one (1) electronic copy (PDF Format on Disc or Thumb Drive) of the entire proposal for each professional area being offered* shall be delivered by the time and to the place stipulated in the Notice of Request for Proposal (**EXAMPLE: If submitting for Design Services and Surveying Services, each shall require one original and one electronic copy**). Proposers are to provide electronic files of their proposals in addition to (not as a substitute to) the hard copy being required.

It is the proposer's sole responsibility to see that their proposal is received at the place, date and time specified. Any proposal received after the scheduled closing time for receipt of proposals may be returned to the proposer as unacceptable. Oral, facsimile, telegraph, or telephone modifications may not be considered.

The contents of the proposal and any clarifications thereto submitted by the successful proposer and accepted by the City of Sparks shall become part of the contractual obligation and incorporated by reference into any ensuing Agreement. All proposals shall become the property of the City of Sparks and shall not be returned. All proposals submitted may become public record under the laws of the State of Nevada and the public may be given access thereto after the formal process has been completed.

### QUESTIONS/INFORMATION

- 1) Questions concerning any aspects of the Proposal process should be addressed to: Dan Marran, CPPO, C.P.M. Contracts and Risk Manager at (775) 353-2273.
- 2) Questions concerning the Scope of Work should be addressed to: Debi Kinder, Accounting Manager at (775) 353-2412.
- 3) Questions concerning the Post-Award process should be addressed to: Dan Marran, CPPO, C.P.M. Contracts and Risk Manager at (775) 353-2273.

## **SCOPE OF WORK**

The audits are to be performed in accordance with generally accepted auditing standards, as prescribed for financial audits of governmental entities by the:

- General Accounting Office (GAO)
- Office of Management and Budget (OMB)
- Government Accounting Standards Board (GASB)
- Securities and Exchange Commission (SEC)
- All other federal standard setting agencies
- And in accordance with Nevada Revised Statutes (NRS).

The ENTITIES also desire the auditor to express an opinion on the fair presentation of their basic financial statements, which include the government wide and fund financial statements, in conformity with generally accepted accounting principles. The auditor is not required to audit the supporting schedules contained in the comprehensive annual financial report. However, the auditor is to provide an “in-relation-to” opinion on the supporting schedules based on the auditing procedures applied during the audit of the basic financial statements. The auditor is not required to audit the statistical section of the report.

In accordance with Government Auditing Standards, a separate report will be required considering internal controls over financial reporting. In accordance with the United States Office of Management and Budget Circular A-133, a report on compliance with the requirements of major federal programs and on internal control over compliance is required.

Additionally, the auditor may be required to prepare significant portions of the Comprehensive Annual Financial Report (CAFR) for the convenience of the entities.

Of the list of ENTITIES, the City of Sparks, Nevada is the primary government agency. The City of Sparks Redevelopment Agency is a component unit and will be included in the City of Sparks, Nevada’s audit report. The Truckee Meadows Water Reclamation Facility is an independent organization owned jointly by the City of Sparks and the City of Reno. The final audit reports must be submitted by November 30 of each year. A senior audit team member must be available for questions that the City Council may have when approving the CAFR in December.

The Proposal shall include:

1. All forms/materials listed in the Proposer’s checklist (Page 3 of this RFP).
2. Commitment

A transmittal letter is required, from a principal, regarding your organization's commitment to the project.

3. Independence

The firm should provide an affirmative statement that it is independent of each ENTITY as defined by generally accepted auditing standards/the U.S. General Accounting Office's Government Auditing Standards.

The firm should also list the firm's or proposed contractor's professional relationships involving the ENTITIES or any of their agencies or component units/agencies, component units or oversight unit for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the proposed audit.

4. License to Practice in the State of Nevada

An affirmative statement should be included that the firm and all assigned key professional staff are properly licensed to practice in the State of Nevada throughout the agreement term.

5. Firm Qualifications and Experience

The proposer should state the size of the firm, the size of the firm's governmental audit staff, the location of the office from which the work on this engagement is to be performed and the number and nature of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

The proposer will indicate whether they have a local office in the Sparks area and their auditing experience within the County of Washoe, Nevada.

The firm is also required to submit a copy of the report on its most recent external quality control review, with a statement whether that quality control review included a review of specific governmental engagements.

6. Partner, Supervisory and Staff Qualifications and Experience

Identify the principal supervisory and management staff, including engagement partners, managers, and other supervisors and specialists, who would be assigned to the engagement. Indicate whether each such person is registered or licensed to practice as a certified public accountant in Nevada. Provide information on government auditing experience of each person, including information on relevant continuing professional education for the past three (3) years and membership in professional organizations relevant to the performance of this audit.

Provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. Indicate how the quality of the staff over the term of the agreement will be assured.

The proposer should identify the extent to which staff to be assigned to the audit reflect each ENTITY's commitment to Affirmative Action.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the City of Sparks. However, in either case, the City of Sparks retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this request for proposal can only be changed with the express prior written permission of the City of Sparks, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the proposer provided that replacements have substantially the same or better qualifications or experience.

## 7. Presentation

The proposer is asked to consider the possibility of two fee rate structures under the following scenarios:

- A. The City has traditionally provided ad hoc reports and trial balances from our integrated financial accounting system which closely resemble financial statements, excluding government wide statements, ultimately found in CAFR documents. Using these reports, the audit team prepares financial statements and the notes thereto. The contractor shall provide substantially complete statements and notes to City staff by November 15<sup>th</sup> of each year. City staff typically prepares the Letter of Transmittal, Management's Discussion and Analysis (MD&A) and the statistical section. The accounting firm then assembles the CAFR document.
- B. At some time during the future audit engagement period, the City may wish to present finished financial statements, with notes thereto, as well as print the finished CAFR document.

The proposer may present both fee rate structures for these two engagement scenarios in their response, or merely acknowledge that, at the City's request, future engagement letters will reflect the potential change in statement preparation responsibilities.



8. Fee Rate Structures

The proposer should indicate all fee rate structures. The structure should include the standard hourly rates for all staff that will be working on the audit including partners, managers, supervisors, and all other staff.

9. Engagements with Other Government Agencies

For the firm's office that will be assigned responsibility for the audit, list the most significant engagements (maximum - 5) performed in the last five years that are similar to the engagement described in this request for proposal.

These engagements should be ranked on the basis of total staff hours. Indicate the scope of work, date, engagement partners, total hours, and the names and telephone numbers of the principal client contacts.

10. Engagement Letter

When a firm has been selected by the ENTITIES to perform the above services, that firm will be asked to submit a letter of engagement that includes the scope of work and fees.

## EVALUATION PROCESS

Proposals shall be reviewed, evaluated, and ranked by a committee to be determined by Sparks. The evaluation criteria may include but not be limited to the following considerations.

1. Responsiveness to requirements of this Request for Proposals
2. Competence, ability, and experience of the identified project team as it relates to this Request for Proposals
3. Specialized team experience and technological practices proposed by the project team.
4. Related work experience
5. Pricing Model

### NEGOTIATION(S)

The City of Sparks shall reserve the right to negotiate any terms and conditions of proposals received, with the final candidate(s) prior to acceptance/rejection of said proposal(s).

### RFP TIMELINE

R.F.P. to Consultants	December 3, 2014
Written Proposals submitted	January 14, 2015
Proposal Evaluation	January 15 – February 6, 2015
Recommend Award to City Council	February 23, 2015

### STATUS OF SUCCESSFUL PROPOSER

Successful proposer shall have the status of an "Independent Contractor" as defined by NRS 284.173, and shall not be entitled to any or all rights, privileges, benefits and emoluments of either an officer or employee of the City of Sparks.

# **Forms**

**(to be used following award of bid)**

## **1) Contract Form**



**PROFESSIONAL SERVICES CONTRACT  
CITY OF SPARKS, NEVADA**

THIS CONTRACT made and entered into on this \_\_ day of \_\_\_\_\_, 20\_\_, by and between the City of Sparks, Nevada, a municipal corporation, existing under and by virtue of the laws of the State of Nevada, hereinafter called "City", and **CONSULTANT**, a qualified consultant in the class of work required, hereinafter called "Consultant".

**W I T N E S E T H**

WHEREAS, the City desires to engage Consultant in the performance of providing Professional Services which are more fully described in Consultant’s Proposal dated \_\_\_\_\_, attached hereto and incorporated herein by reference. (Hereinafter referenced to as “Proposal”);

WHEREAS, Consultant’s legal status is an Independent Contractor and Consultant is in good standing in the State of Nevada;

WHEREAS, Consultant desires to perform the Program under the terms and conditions set forth herein;

NOW, THEREFORE, IT IS AGREED as follows:

**1. Scope of Work:**

The scope of work for this contract is generally defined as **PROJECTTITLE**. The City’s Contract Documents and Consultant's Entire Proposal are on file with the City of Sparks and may be located within “Attachment A.” All terms, conditions and requirements contained in these Documents, including any and all addenda issued by the City, are hereby incorporated into this Contract. The work scope will include, but not be limited to the tasks outlined in Attachment A.

The Consultant shall perform within the time stipulated, the Contract as herein defined and shall provide and furnish any and all of the labor, materials, methods or processes, equipment implements, tools, machinery and equipment, and all utility, transportation and other services required to complete all of the work covered by the Contract in connection with strict accordance with the plans, specifications or proposals, which were approved by said City and are on file with the City, including any and all addenda issued by the City, and with the other contract documents hereinafter enumerated. Consultant will have the right to control or direct the manner and the order in which it provides the services contemplated under this Agreement.

Consultant represents and warrants that Consultant is engaged in an independent calling and has complied and will continue to comply with all local, state and federal laws regarding business permits and licenses that may be required to carry out the independent calling and to perform the services to be performed under this Agreement.

Consultant understands that the services it has been retained to perform may be dangerous or may entail a peculiar unreasonable risk of harm to others unless special precautions are taken and Consultant agrees to exercise reasonable care to take such precautions.



**2. Payment for Project Services**

As full consideration for the Professional Services to be performed by Consultant, City agrees to pay Consultant as set forth in accordance with the Fee Schedule set forth in the proposal and not to exceed fee of **COST** for the project. The City will not hire or directly compensate the Consultant’s employees, assistants or subcontractors, if any. It is expressly understood and agreed that all work done by Consultant shall be subject to review as to its result by the City at the City’s discretion. Payment of any invoice shall not be taken to mean that the City is satisfied with Consultant’s services to the date of payment and shall not forfeit City’s right to require the correction of any service deficiencies.

**3. Term**

This Agreement shall become effective upon contract execution and will continue in effect until

**MO/DY/YR**, or

The Project is completed (Approximately \_\_\_\_\_ ), or unless earlier terminated as provided herein.

**4. Time Devoted to Work:**

In performing the services contemplated under this Agreement, the services and the hours Consultant is to work on any given day will be on a mutually agreed upon basis, except for attendance at scheduled meetings, and City will rely upon Consultant to put in such number of hours as is reasonably necessary to fulfill the spirit and purpose of this Agreement.

City understands that Consultant is engaged in the same or similar activities for others and that City may not be Consultant’s sole client or customer. However, Consultant represents and warrants that it is under no obligation or restriction, nor will it assume any such obligation or restriction, that would in any way interfere or be inconsistent with the services to be performed under this Agreement.

**5. No Unfair Employment Practices:**

In connection with the performance of work under this Agreement, Consultant agrees not to discriminate against any employee or applicant because of race, creed, color, national origin, sex, sexual orientation, disability or age. Any violation of these provisions by Consultant shall constitute a material breach of this contract.

**6. No Illegal Harassment:**

Violation of the City’s harassment policy, which is incorporated by reference and available from the Human Resources Division, by the Consultant, its officers, employees, agents, consultants, subcontractors and anyone for whom it is legally liable, while performing or failing to perform Consultant’s duties under this Contract shall be considered a material breach of this contract.

**7. Lawful Performance:**

Vendor shall abide by all Federal, State and Local Laws, Ordinances, Regulations, and Statutes as may be related to the performance of duties under this agreement. In addition, all applicable permits and licenses required shall be obtained by the vendor, at vendor’s sole expense.

**8. Status of Consultant:**

It is the intent of the parties that Consultant shall be considered an independent contractor and that



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Consultant, and anyone else for whom it is legally liable, shall not be considered employees, servants or agents of the City for any purpose. Furthermore, this Agreement shall not be construed to create a partnership or joint venture between the Consultant and the City.

Neither Consultant nor any of its employees or contractors shall be eligible to participate in City's industrial insurance, unemployment, disability, medical, dental, life or other insurance programs, or any other benefit or program that is sponsored, financed or provided by City for its employees.

Consultant agrees that it shall be Consultant's exclusive responsibility to pay all federal, state, or local payroll, social security, disability, industrial insurance, self-employment insurance, income and other taxes and assessments related to this Agreement. Neither FICA (Social Security), FUTA (Federal Employment), nor local, state or federal income taxes will be withheld from payments to Consultant. Consultant shall at Consultant's expense pay and be fully liable and responsible for, and indemnify and hold harmless City from, any assessments, fines or penalties relating to Consultant's failure to uphold any of these responsibilities.

**9. City Ownership of Proprietary Information:**

All reports, drawings, plans, specifications, and other documents prepared by Consultant as products of service under this Agreement shall be the exclusive property of the City and all such materials shall be remitted to the City by Consultant in a timely manner upon completion, termination or cancellation of this Agreement. Consultant shall not use, willingly allow or cause to have such materials used for any purpose other than performance of Consultant's obligations under this Agreement without the prior written consent of the City.

**10. Public Records:**

Consultant understands that City is subject to the provisions of NRS 239.010. As such, the City may have the duty to disclose the Consultant's reports or recommendations.

**11. Insurance:**

CONSULTANTS' ATTENTION IS DIRECTED TO THE INSURANCE REQUIREMENTS BELOW. IT IS HIGHLY RECOMMENDED THAT CONSULTANTS CONFER WITH THEIR RESPECTIVE INSURANCE CARRIERS OR BROKERS TO DETERMINE IN ADVANCE OF SUBMITTAL OF RFP, BID OR QUOTE. THE AVAILABILITY OF INSURANCE CERTIFICATES AND ENDORSEMENTS AS PRESCRIBED AND PROVIDED HEREIN. IF THE APPARENT LOW BIDDER FAILS TO COMPLY STRICTLY WITH THE INSURANCE REQUIREMENTS, THAT CONSULTANT MAY BE DISQUALIFIED FROM AWARD OF THE CONTRACT.

Should work be required on City premises or within the public right-of-way, upon award of the contract, the bidder shall provide proof of Commercial General Liability Insurance and Automobile Liability, Professional Liability and Workers' Compensation if applicable, prior to initiation of any services under City, Bid, Proposal or Contract. Coverage shall be from a company authorized to transact business in the State of Nevada and the City of Sparks and shall meet the following minimum specifications:

Contractor shall at its own expense carry and maintain at all times the following insurance coverage and limits of insurance. Contractor shall also cause each subcontractor employed by Contractor to purchase



and maintain insurance of the type specified herein. All insurers must have AM Best rating not less than A-VII, and be acceptable to the City. Contractor shall furnish copies of certificates of insurance evidencing coverage for itself and for each subcontractor. Failure to maintain the required insurance may result in termination of this contract at City’s option. If Contractor fails to maintain the insurance as set forth herein, City shall have the right, but not the obligation, to purchase said insurance at Contractor’s expense.

Contractor shall provide proof of insurance for the lines of coverage, limits of insurance and other terms specified below prior to initiation of any services. Coverage shall be from a company authorized to transact business in the State of Nevada and the City of Sparks and shall meet the following minimum specifications,

Contractor and any of its subcontractors shall carry and maintain coverage and limits no less than the following or the amount customarily carried by Contractor or any of its subcontractors, whichever is greater.

Applicable to this Contract	Insurance Type	Minimum Limit	Insurance Certificate	Additional Insured	Waiver of Subrogation
Yes	General Liability	\$1,000,000	✓	✓	✓
Yes	Automobile Liability	\$1,000,000	✓	✓	
Yes	Workers’ Compensation	Statutory	✓		✓
Yes	Employer’s Liability	\$1,000,000	✓		
No	Professional Liability	\$1,000,000	✓		
No	Pollution Legal Liability	\$1,000,000	✓		

**Commercial General Liability**

Contractor shall carry and maintain a Commercial General Liability policy providing coverage for liability arising from premises, operations, independent contractors, products-completed operations liability, personal and advertising injury, and liability assumed under an insured contract (including, but not limited to, the tort liability of another assumed in a business contract).

There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from pollution, explosion, collapse, underground property damage, employment-related practices, unless Subcontractor carries and maintains separate policies providing such coverage and provides Contractor evidence of insurance confirming the coverage.

***Minimum Limits of Insurance***

- \$1,000,000** Each Occurrence Limit for bodily injury and property damage
- \$2,000,000** General Aggregate Limit
- \$2,000,000** Products and Completed Operations Aggregate Limit
- \$10,000** Medical Expense Limit



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If Commercial General Liability Insurance or other form with a general aggregate limit is used, the general aggregate limit shall be increased to equal twice the required occurrence limit or revised to apply separately to this PROJECT or LOCATION.

***Coverage Form***

Coverage shall be at least as broad as the unmodified Insurance Services Office (ISO) Commercial General Liability (CGL) "Occurrence" form CG 00 01 12/04 or substitute form providing equivalent coverage.

***Additional Insured***

City, its officers, agents, employees, and volunteers are to be included as insureds in respects to damages and defense arising from: activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor; products and completed operations of Contractor; premises owned, occupied, or used by Contractor; or automobiles owned, leased, hired, or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, employees, or volunteers. Additional insured status for City shall apply until the expiration of time within which a claimant can bring suit per applicable state law.

***Primary and Non-Contributory***

Contractor's insurance coverage shall be primary insurance as it relates to City, its officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by City, its officers, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it in any way.

***Separation of Insureds***

Contractor's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

***Endorsements***

A policy endorsement is required listing all required additional insureds. The endorsement for CGL shall be at least as broad as the unmodified ISO additional insured endorsement CG 20 10 11/85 or a substitute form providing equivalent coverage for products and completed operations.

A waiver of subrogation in favor of City shall be endorsed to the policy using an unmodified Waiver of Transfer of Rights of Recovery of Others to Us ISO CG 24 04 05 09, or a substitute form providing equivalent coverage.

**Business Automobile Liability**

***Minimum Limits of Insurance***

**\$1,000,000** Combined Single Limit per accident for bodily injury and property damage or the limit customarily carried by Contractor, whichever is greater. No aggregate limit may apply. Coverage may be combined with Excess/Umbrella Liability coverage to meet the required limit.

***Coverage Form***

Coverage shall be at least as broad as the unmodified Insurance Services Office (ISO) Business Automobile Coverage form CA 00 01 10/01, CA 00 05, CA 00 12 or substitute form providing equivalent coverage for





Automobile Liability Symbol 1 for "Any Auto". If necessary, the policy shall be endorsed to provide contractual liability coverage equivalent to that provided in the 1990 and later editions of CA 00 01.

***Additional Insured***

City, its officers, agents, employees, and volunteers are to be included as insureds with respect to damages and defense arising from: activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor; products and completed operations of Contractor; premises owned, occupied, or used by Contractor; or automobiles owned, leased, hired, or borrowed by the Contractor. The coverage shall contain no special limitations on the scope of protection afforded to City, its officers, employees, or volunteers. Additional insured status for City shall apply until the expiration of time within which a claimant can bring suit per applicable state law.

***Endorsements***

A policy endorsement is required listing all required additional insureds. The endorsement for Business Automobile Liability shall be at least as broad as the unmodified ISO CA 20 48 02/99 or a substitute form confirming City's insured status for Liability Coverage under the Who Is An Insured Provision contained in Section II of the coverage form ISO CA 00 01 10/01.

**Workers' Compensation and Employer's Liability**

Contractor shall carry and maintain workers' compensation and employer's liability insurance as required by NRS 616B.627 or provide proof that compliance with the provisions of Nevada Revised Statutes Chapters 616A-D and all other related chapters is not required. It is understood and agreed that there shall be no coverage provided for Contractor or any Subcontractor of the Contractor by the City. Contractor agrees, as a precondition to the performance of any work under this Agreement and as a precondition to any obligation of the City to make any payment under this Agreement to provide City with a certificate issued by an insurer in accordance with NRS 616B.627 and with a certificate of an insurer showing coverage pursuant to NRS 617.210.

It is further understood and agreed by and between City and Contractor that Contractor shall procure, pay for and maintain the above mentioned coverage at Contractor's sole cost and expense.

Should Contractor be self-funded for workers' compensation and employer's liability insurance, Contractor shall so notify City in writing prior to the signing of this Contract. City reserves the right to approve said retentions, and may request additional documentation, financial or otherwise, for review prior to the signing of this Contract.

***Minimum Limits of Insurance***

Workers' Compensation: Statutory Limits

Employer's Liability:    **\$1,000,000** Bodily Injury by Accident – Each Accident  
                                   **\$1,000,000** Bodily Injury by Disease – Each Employee  
                                   **\$1,000,000** Bodily Injury by Disease – Policy Limit

***Coverage Form***

Coverage shall be at least as broad as the unmodified National Council on Compensation Insurance (NCCI) Workers Compensation and Employer's Liability coverage form WC 00 00 04/92 or substitute form



providing equivalent coverage.

***Waiver of Subrogation Endorsement***

Contractor and its insurer agree to waive their rights of subrogation for any payments made under this coverage. A policy endorsement at least as broad as the unmodified NCCI Waiver of Our Right to Recover From Others endorsement WC 00 03 13 04/84 or a substitute form providing equivalent coverage is required waiving the insurer's right to recover payments from the City.

**OTHER INSURANCE COVERAGES (IF APPLICABLE)**

**Professional Liability Insurance (if Applicable)** \$1,000,000 per occurrence limits of liability or whatever limit is customarily carried by the Contractor, whichever is greater, for design, design-build or any type of professional services with a minimum of three (3) years reporting of claims following completion of the project.

**Contractors Pollution Liability Insurance (If Applicable)**- \$1,000,000 per occurrence and \$2,000,000 aggregate or whatever amount is acceptable to the City for any exposure to "hazardous materials" as this term is defined in applicable law, including but not limited to waste, asbestos, fungi, bacterial or mold.

Lower tier sub-subcontractors, Truckers, Suppliers: Evidence confirming lower tier subcontractors, truckers and suppliers are maintaining valid insurance prior to beginning work on the project to meet the requirements set forth herein on Subcontractor, including but not limited to all additional insured requirements of Subcontractor.

**ALL COVERAGES**

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, or non-renewed by either CONTRACTOR or by the insurer, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to CITY except for nonpayment of premium.

**OTHER INSURANCE PROVISIONS**

Should City and Contractor agree that higher coverage limits are needed warranting a project policy, project coverage shall be purchased and the premium for limits exceeding the above amount may be borne by City. City retains the option to purchase project insurance through Contractor's insurer or its own source.

Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officers, agents, employees, or volunteers.

**ACCEPTABILITY OF INSURERS**

Insurance is to be placed with insurers with a Best's rating of no less than A-VII and acceptable to the City.. City, with the approval of the Risk Manager, may accept coverage with carriers having lower Best's ratings upon review of financial information concerning Contractor and insurance carrier. City reserves the right to require that Contractor's insurer be a licensed and admitted insurer in the State of Nevada, or on the Insurance Commissioner's approved but not admitted list.




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**VERIFICATION OF COVERAGE**

Contractor shall furnish City with certificates of insurance and with original endorsements affecting coverage required by this contract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

Prior to the start of any Work, Contractor must provide the following documents to City of Sparks, Attention: Purchasing Division, P.O. Box 857, Sparks, NV 89432-0857:

- A. Certificate of Insurance.** Contractor must provide a Certificate of Insurance form to the City of Sparks to evidence the insurance policies and coverage required of Contractor.
- B. Additional Insured Endorsements.** An original Additional Insured Endorsement, signed by an authorized insurance company representative, must be submitted to the City of Sparks, by attachment to the Certificate of Insurance, to evidence the endorsement of the City of Sparks as additional insured.
- C. Policy Cancellation Endorsement.** Except for ten days notice for non-payment of premium, each insurance policy shall be endorsed to specify that without thirty (30) days prior written notice to the City of Sparks, the policy shall not be cancelled, non-renewal or coverage and/or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mailed to the address specified above. A copy of this signed endorsement must be attached to the Certificate of Insurance.
- D. Bonds (as Applicable).** Bonds as required and/or defined in the original bid documents.

**All certificates and endorsements are to be addressed to the City of Sparks, Purchasing Division and be received and approved by City before work commences.** The City reserves the right to require complete certified copies of all required insurance policies at any time.

**SUBCONTRACTORS**

Contractor shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.

**MISCELLANEOUS CONDITIONS**

1. Contractor shall be responsible for and remedy all damage or loss to any property, including property of City, caused in whole or in part by Contractor, any Subcontractor, or anyone employed, directed, or supervised by Contractor.
2. Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payment of damages to persons or property resulting from its operations or the operations of any Subcontractors under it.
3. In addition to any other remedies City may have if Contractor fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:



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- a. Purchase such insurance to cover any risk for which City may be liable through the operations of Contractor under this Agreement and deduct or retain the amount of the premiums for such insurance from any sums due under the Agreement;
  - b. Order Contractor to stop work under this Agreement and/or withhold any payments which become due Contractor here under until Contractor demonstrates compliance with the requirements hereof; or,
  - c. Terminate the Agreement.

## 12. Indemnity:

To the fullest extent permitted by law, upon award, Contractor shall hold harmless, indemnify, defend and protect City, its affiliates, officers, agents, employees, volunteers, successors and assigns ("Indemnified Parties"), and each of them from and against any and all claims, demands, causes of action, damages, costs, expenses, actual attorney's fees, losses or liabilities, in law or in equity, of every kind and nature whatsoever ("Claims") arising out of or related to any act or omission of Contractor, its employees, agents, representatives, or Subcontractors in any way related to the performance of work under this Agreement by Contractor, or to work performed by others under the direction or supervision of Contractor, including but not limited to:

1. Personal injury, including but not limited to bodily injury, emotional injury, sickness or disease, or death to persons;
2. Damage to property of anyone, including loss of use thereof;
3. Penalties from violation of any law or regulation caused by Contractor's action or inaction;
4. Failure of Contractor to comply with the Insurance requirements established under this Agreement;
5. Any violation by Contractor of any law or regulation in any way related to the occupational safety and health of employees.

In determining the nature of the claim against City, the incident underlying the claim shall determine the nature of the claim, notwithstanding the form of the allegations against City.

If City's personnel are involved in defending such actions, Contractor shall reimburse City for the time and costs spent by such personnel at the rate charged City for such services by private professionals.

### **In cases of professional service agreements, requiring professional liability coverage:**

If the insurer by which a Consultant is insured against professional liability does not so defend the City and applicable agents and/or staff, and the Consultant is adjudicated to be liable by a trier of fact, the City shall be entitled to reasonable attorney's fees and costs to be paid to the City by the Consultant in an amount which is proportionate to the liability of the of the Consultant.

Nothing in this contract shall be interpreted to waive nor does the City, by entering into this contract, waive any of the provisions found in Chapter 41 of the Nevada Revised Statutes.

## 13. Material Breach of Contract:

In the event Consultant fails to deliver the product and services as contracted for herein, to the satisfaction of the City of Sparks or otherwise fails to perform any provisions of this Contract, the City, after providing



five (5) days written notice and consultant's failure to cure such breach, may without waiving any other remedy, make good the deficiencies and deduct the actual cost of providing alternative products and/or services from payment due the Consultant. Non-performance after the first notice of non-performance shall be considered a material breach of contract.

#### **14. Termination:**

The City may terminate the Contract for material breach of contract upon ten (10) days written notice and recover all damages, deducting any amount still due the Consultant from damages owed to the City, or seek other remedy including action against all bonds. The Consultant may terminate the Contract for material breach of contract upon thirty (30) days written notice to the City.

Notwithstanding the preceding paragraph, the City may immediately terminate the Agreement, and Consultant waives any and all claim(s) for damages, upon the Consultant's receipt of notice under the following conditions:

- a) If funding is not obtained, continued, or budgeted at levels sufficient to allow for purchase of the services contemplated under this Agreement per Section 23 of this Agreement;
- b) If any federal, state or local law, including but not limited to, statutes, regulations, ordinances and resolutions, is interpreted by a third party judicial, legislative or administrative authority in such a way that the services contemplated under this Agreement are no longer authorized for purchase or appropriate for City financial participation;
- c) If Consultant fails to comply with any local, state or federal law regarding business permits and licenses required to perform the services to be performed under this Agreement or
- d) If it is found that any quid pro quo or gratuities were offered or given by the Consultant to any officer or employee of the City with a view towards securing favorable treatment with respect to awarding, extending, amending or making any determination with respect to the performance of this Agreement.

The indemnity and conflict resolution obligations of this Agreement shall survive the termination of this Agreement and shall be binding upon the parties' and the parties' legal representatives, heirs, successors and assigns.

The City may terminate this agreement for any reason without penalty upon giving thirty (30) days written notice to the Consultant. In the event of termination, the full extent of City liability shall be limited to an equitable adjustment and payment for materials and/or services authorized by and received to the satisfaction of the City prior to termination.

#### **15. Licenses and Permits:**

The Consultant shall procure at his own expense all necessary licenses and permits and shall adhere to all the laws, regulations and ordinances applicable to the performance of this Contract.

All consultants doing business within the City of Sparks are required to obtain and maintain a current



business license from the City of Sparks prior to commencement of this contract. Per Sparks Municipal Code Section 5.08.020A: "It is unlawful for any person to transact business in the City without first having obtained a license from the City to do so and without complying with all applicable provisions of this title and paying the fee therefore."

**16. Drafting Presumption:**

The parties acknowledge that this Agreement has been agreed to by both parties, that both parties have consulted or have had the opportunity to consult with attorneys with respect to the terms, and that no presumption shall be created against the City as the drafter of the Agreement.

**17. Governing Law:**

The laws of the State of Nevada shall govern this Agreement without regard to conflicts of law principles.

**18. Jurisdiction and Venue:**

Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement must be brought against either of the parties in the courts of the State of Nevada, County of Washoe. Each of the parties consents to the jurisdiction of the court (and of the appropriate appellate court) in any such action or proceeding and waives any objection to venue laid therein.

**19. Claims:**

Pursuant to NRS 268.020, which the parties agree to abide by contractually, all demands and accounts against the City must be presented to the Council, in writing, within six (6) months from the time the demands or accounts become due. No demand or account may be audited, considered, allowed or paid by the City unless this requirement is strictly complied with.

**20. Assignment:**

All of the terms, conditions and provisions of this Contract, and any amendments thereto, shall inure to the benefit of and be binding upon the parties hereto, and their respective successors and assigns. The Consultant shall not assign this Contract without the written consent of the City which will not be unreasonably withheld.

**21. Notices:**

All notices required to be given in writing by this Contract shall be deemed to be received (i) upon delivery if personally delivered, or (ii) when receipt is signed for if mailed by certified or registered mail, postage prepaid, or by express delivery service or courier, when addressed as follows (or sent to such other address as a Party may specify in a notice to the others):

CITY OF SPARKS - PURCHASING DIVISION  
431 PRATER WAY  
PO BOX 857  
SPARKS, NV 89432-0857

CONSULTANT:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**22. Entire Contract:**

This Contract and all associated documents associated by reference constitute the entire agreement of the parties and shall supersede all prior offers, negotiations, agreements and contracts whether written or oral.



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Any modifications to the terms and conditions of this Contract must be in writing and signed by both parties.

**23. Waiver:**

No waiver of any term, provision or condition of this Contract, whether by conduct or otherwise, in any one or more instances, shall be deemed to be nor shall it be construed as a further or continuing waiver of any such term, provision or condition of this Contract. No waiver shall be effective unless it is in writing and signed by the party making it.

**24. Annual Appropriation of Funds:**

Multi-year contracts and leases are subject to annual appropriation of funds by the City Council. The City plans and makes appropriations to the City Budget with respect to a fiscal year that starts July 1<sup>st</sup> and ends June 30<sup>th</sup> of each year. Payments made under term contracts and leases are considered items of current expense. Purchase Orders are funded when issued; therefore, they are current expense items and are not subject to any subsequent appropriation of funds. Continuance of a multi-year contract beyond the limits of funds available shall be contingent upon appropriation of the requisite funds in the ensuing fiscal year and the termination of this contract by lack of appropriation shall be without penalty.

**25. Severability:**

If any part of this Contract is found to be void it will not affect the validity of the remaining terms of this Contract which will remain in full force and effect.

**26. Headings:**

Paragraph titles or captions contained in this Contract are inserted only as a matter of convenience and for reference only, and in no way define, limit, extend, or describe the scope of this Contract or the intent of any provision hereof.

**27. Singular Includes the Plural; Gender; Title Reference:**

Whenever the singular number is used in this Contract and when required by the context, the same shall include the plural, and the use of any gender, be it masculine, feminine or neuter, shall include all of the genders, and the word "person" or "entity" shall include corporation, firm, partnership, or any other combination or association.

The use of the title "Bidder", "Vendor", "Contractor" or "Consultant" within this contract or associated bid documents shall be deemed interchangeable and shall refer to the person or entity with whom the City of Sparks is contracting for the service or product referenced within this contract.

**28. Execution:**

The parties agree to execute such additional documents and to take such additional actions as are reasonably necessary or desirable to carry out the purposes hereof. They also agree, acknowledge and represent that all corporate authorizations have been obtained for the execution of this Contract and for the compliance with each and every term hereof. Each undersigned officer, representative or employee represents that he or she has the authority to execute this Contract on behalf of the party for whom he or she is signing.



IN WITNESS WHEREOF, the City of Sparks has caused this Contract to be executed by its officers thereunto duly authorized and the Consultant has subscribed same, all on the day and year first above written.

\_\_\_\_\_  
(Consultant)

CITY OF SPARKS, NEVADA  
A Municipal Corporation

By: \_\_\_\_\_

By: \_\_\_\_\_  
(Authorized Signature)

\_\_\_\_\_  
(Title)

APPROVED AS TO FORM

ATTEST:

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
City Clerk (As Required)





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Attachment A

THIS (optional) SPACE TO BE USED TO ATTACH CONSULTANT PROPOSAL OR TO DEFINE THE SPECIFIC SCOPE OF WORK FOR THIS CONTRACT