



City of Arlington, Texas
Application for Payment Card Industry (PCI)
Compliance Services

PCI Compliance Services
Request for Qualification (RFQ)

RFQ submittal deadline: 2:00 PM, Thursday,
July 25, 2019

CITY OF ARLINGTON, TEXAS
FINANCE DEPARTMENT- TREASURY DIVISION
101 S. MESQUITE STREET, SUITE #800

REQUEST FOR QUALIFICATION – SUMMARY

DUE DATE: Thursday, July 25, 2019 by 2:00pm

RFQ Title: PCI Compliance Services

RFQ No: 19-0197

ISSUED BY:

City of Arlington, Texas: Finance Department

101 S. Mesquite St, Ste. 800

Arlington, Texas 76010

SUBMIT INQUIRES IN WRITING TO:

Name: Lisa Williams

Title: Treasury Analyst

Telephone: 817-459-6268

Email: lisa.williams@arlingtontx.gov

Notice:

The City of Arlington, Texas is seeking a response to the Request for Qualification (RFQ) to perform the City's PCI Compliance services. For PCI Compliance services the initial contract period will begin October 1, 2020 and end September 30, 2022. At the City's option, the contract may be renewed for two additional years, or until the successor has been selected.

Proposed Timeline of RFQ Process:

The City wishes to adhere to the following tentative schedule:

<u>DATE</u>	<u>ACTION</u>
Wednesday, June 12, 2019	RFQ notice posted.
Friday, July 12, 2019	Deadline for submission of questions and/or clarifications regarding RFQ. Questions must be in writing and received by 3:00p, (CST) to be considered.
Friday, July 19, 2019	Issuance of addenda, if necessary.
Thursday, July 25, 2019	Qualifications must be received by Treasury Analyst on or before 2:00pm. (CST)
Tuesday, August 13, 2019	Recommendation of award and approval to enter into contract.
Wednesday, August 14, 2019	Award will be announced.
Monday, October 1, 2019	New PCI Compliance Services begin.

APPLICATION CHECKLIST

Due Date: Thursday, July 25, 2019 by 2:00pm CST.

Each applicant must submit the following information:

Proposers shall submit one (1) original and one (1) copy of the following:

Application Forms and Attachments

- A. Qualification Letter Form (Appendix A)
- B. Service Fee Schedule (Appendix B)
- C. Vendor, Contact, and Reference Information Form (Appendix C)
- D. Conflict of Interest Form (Appendix D)
- E. Non-Collusion Affidavit Form (Appendix E)

Applicant Prepared Documents

- Any standard service contracts or applications.
- Sample of billing invoice.
- Sample of reports (confidential information removed).
- PCI QSA and ASV Certifications

SECTION 1: INTRODUCTION

Introduction

The City of Arlington, Texas (City) is seeking qualification(s) from qualified firms for Payment Card Industry (PCI) Compliance Services. Firms must have a PCI Qualified Security Assessor (QSA) to assist the City with the completion of its Self-Assessment Questionnaire (SAQ), fabrication of PCI required internal policies and documents, all validation, testing and assessment requirements for becoming compliant with the Payment Card Industry Data Security Standard V2.0 (PCI DSS) and to maintain such compliance annually.

Each qualification must be complete and specifically address the requirements described in this document. Applications must be submitted in the format provided and with a letter of submittal in the form provided herein. All fees related to all required services must be included within the fee schedule. Once selected, no additional or increased fees for services in the fee schedule may be charged to the City during the initial three-year contract period. The proposed PCI Compliance Service contract is included. Please return the proposed contract with any recommended changes in your application packet. Financial institutions may propose exceptions to the specifications and proposed contract. However, only exceptions listed in your application will be considered. Questions regarding this request for application should be directed in writing to Ms. Lisa Williams, Treasury Analyst at lisa.williams@arlingtontx.gov.

All qualifications will be reviewed using the following criteria:

- Completeness of RFQ
- Demonstrated capabilities required
- PCI QSA and ASV credentials
- Relevant experience and references
- Package options for PCI
- Qualification that exhibits best value

Qualifications should be submitted as a firm fixed price.

The selection of one consultant will be made within two weeks after the RFQ deadline. The contract award will be announced after the selection is made. All applicants will be notified of the selection.

Background

The City of Arlington, Texas is located in Tarrant County between Dallas and Fort Worth. The 2018 population estimate for Arlington is around 384,000. The City provides a full range of municipal services. These services include police, fire, parks and recreation, library, transportation, water utilities and other general services. The City would be considered a Level 3 merchant (less than a million transactions annually). There are around 15 departments accepting credit cards online, face to face, and some over the phone. (See Figure 2)

Selection Criteria

Each application will be evaluated by the following criteria:

1. Demonstrated responsiveness and ability to provide services required;
2. PCI Compliance services costs, to include aggregate annual cost, implementation costs to provide services listed;
3. Demonstrated the ability to provide excellent customer service; and
4. Experience and continuity of the applicant;

All application responses will be evaluated in accordance with these criteria. Customer service and service capabilities are critical elements for the City. Along with service, the City will consider the cost of those services.

Contact with City Council, Staff and Advisors

All questions concerning this procurement solicitation must be directed to the Treasury Analyst. Contact information for this RFQ is stated within the RFQ.

The following provisions are intended to ensure a fair and equitable review process so that there is no actual or potential situation where one RFQ vendor secures or attempts to secure an unfair advantage over another vendor or creates a situation where there is an appearance of impropriety in contacts between the vendor or vendor's agent or vendor's contractor or vendor's consultant and City officials.

Vendors are prohibited from communicating with council members, City officials and their staff, regarding the RFQ from the time the RFQ has been released until contract has been awarded.

These restrictions extend to letters, phone calls, emails, social media, or any contact that results in the direct or indirect discussion of the RFQ or application submitted or to be submitted. Violation of this provision by vendor or vendor's agent may lead to disqualification from consideration. Exceptions to the restrictions on communication with City employees include: Contacts by the vendor with City when such contacts do not pertain to this application. Examples include: private (non-business) contacts with the City by the proposer or Proposer's employees acting in their personal capacity; presentations and/or responses to inquiries initiated by City Staff; and if a representative of the proposer has a question about any potential contact as described above, the Treasury Analyst will be notified in order to make a determination as to whether any contact is allowed in accordance with the RFQ.

RFQ Questions

Questions regarding this RFQ, or the services requested, will be accepted in written (or e-mail) form only, to the contact mentioned within the RFQ, before 3:00 pm July 12, 2019. Responses to all material questions submitted will be communicated in writing to all known proposers by 5:00 pm July 19, 2019.

Delivery of Applications

Applications must be received in the Finance Office prior to the due date and time. It is the sole responsibility of each vendor to ensure timely delivery of each application. The City will not

be responsible for failure of service on the part of the U.S. Postal Office, courier companies, or any other form of delivery service chosen by the vendor. Late applications will be returned to the vendor unopened. The time stamp clock in the Finance Office is the time of record.

Be advised that the Municipal Court is located within the City Tower, and there is only one entrance into the building. Vendors will be required to enter and pass through security at the North Entrance (through the metal detector). All packages can also be scanned. This could be a lengthy process. The application response must be stamped and accepted in the Finance Office, 8th floor no later than 2:00 pm in order to be considered.

Vendors must allow enough time for processing through the City's internal mailroom system to ensure the bid/RFQ response arrives in the Treasury Analyst Office prior to the due date and time. The City is not responsible for mail held by any carrier or third-party delivery service. Any application received after the required date and time will be considered late and will not be accepted or considered. Late bids will be returned to the bidder unopened. Applications will not be considered if delivered or received at any other City office or facility.

Compliance with Laws

The Contractor shall give all notices and comply with all federal, state and local laws, ordinances, rules and regulations, and lawful orders of any public authority bearing on the performances of the services. This agreement and the rights and obligations of the parties hereto shall be interpreted, construed and enforced in accordance with the laws of the State of Texas. The Contractor warrants and covenants to the City that all services will be performed in compliance with all applicable federal, state, county, and city health and safety codes, rules and ordinances including, but not limited to, the Texas Industrial Safety and Health Act, and the Workers Right to Know Law.

Prohibited Vendors

As of the date of this RFQ, Vendor certifies that they are not listed in the prohibited vendors list authorized by Executive Order #13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism", published by the United States Department of the Treasury, Office of Foreign Assets Control (see following link <http://www.treas.gov/offices/enforcement/ofac/sdn/>). In addition, Vendor certifies that they are not listed on the Excluded Parties List System (EPLS) which is found at www.epls.gov.

Vendor agrees that should at any time during the term of this contract they become listed on the either the Terrorism List or EPLS, Vendor shall promptly notify the City. The City shall have the absolute right to terminate this contract without recourse in the event Vendor becomes listed on the Terrorism List. Vendors identified on either list at time of applications review will not be considered for award.

Contract Term

The initial contract is for two years commencing October 1, 2020, with the option of an additional two-year extension. The PCI Compliance consultant must notify the City in writing

requesting an extension of the contract 90 days prior to the expiration of the original three-year term. All fees shall be fixed for the initial three-year term. If the contract is extended, fees may increase by a percentage no greater than the total increase in the Dallas-Fort Worth Consumer Price Index as published by the Bureau of Labor Statistics for 2020, 2021 and 2022. The new fees would be fixed for the term of the extension.

Service Charges and Payment

All applications must include a completed fee schedule in the form provided. Only the charges listed in Fee Schedule will be acceptable. Once selected as the City's PCI Compliance consultant, no additional or increased fees for services in the fee schedule may be charged to the City during the initial three-year contract period other than additional services approved by the City. An invoice must be forwarded to the City for review. Upon review and any necessary corrections, the City will authorize a payment of the invoice. Under most circumstances, the review should be completed in five business days.

Questions Concerning Application

To ensure that all prospective respondents have accurately and completely understood the requirements, the deadline for questions is 3:00 PM (CT) on Friday, July 12, 2019.

Service Modification

Services may be modified by mutual agreement. It is expected the range of services described in this application will be used for the length of the contract; however, the City may discontinue any service after 30 days written notification to the PCI Compliance consultant. Services may also be added, with costs of new services to be negotiated at that time.

Designated Contact Personnel

The City requires that one PCI Compliance consultant be assigned to the City. This consultant shall be the central contact for all PCI Compliance issues. The City will also select an individual to be the designated City contact for PCI Compliance services. Upon selection, the PCI Compliance consultant may also provide a list of contact personnel who are qualified to provide information and assistance in various areas of PCI Compliance.

Service Exclusions

The City also retains the right to separately contract for services provided by other institutions in addition to those contained in the PCI Compliance service contract.

Right to Reject

The City of Arlington reserves the right to reject any and all applications. The City, at its option, may waive any and all informalities, minor irregularities, and/or technicalities. The City may reject the application of a financial institution who is in litigation with the City or who has previously failed to perform properly or complete on time contracts of a similar nature and reject the application of a financial institution who is not, in the opinion of the City, in a position to satisfactorily perform the contract. The City may also accept or reject any of the alternates that

may be set forth in an application. The City reserves the right to reject any application if the evidence submitted by, or investigation of, such financial institution fails to satisfy the City that such financial institution is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.

Exceptions

Exceptions, conditions, or proposals to the provisions of the City's specifications or contracts must be clearly identified in writing as such, with the reasons therefore, and alternate language proposed, if any, clearly stated and inserted in the appropriate place in the application.

Each of these exceptions, conditions, or proposals to the City's specifications will be included, as appropriate, in the Contract documents. Items and matters not explicitly excepted in this manner shall be deemed to be in conformance with City's specifications. The City of Arlington is the final judge of acceptability for items quoted on this application request.

Non-Performance

The City may void the PCI Compliance service contract if in City's sole discretion the PCI Compliance services is not satisfactorily meeting its service requirements as specified herein. The City will provide written notice of areas of non-performance and allow the Custodian up to 30 days to remedy the problems. If after this 30-day period the Financial Institution has not rectified all problems in a manner satisfactory to City, the City may, at its option, terminate the contract by providing Financial Institution written notice of its intention to terminate as stated in the termination and default provisions of the attached contract.

SECTION 2: SCOPE OF SERVICES (Requirements)

The City intends to select one firm to provide the requested services in this RFQ. The City is seeking a PCI Compliance consulting firm to assist with the following:

- a. Perform a PCI compliance assessment for each of the City's departments that accept card payments face to face, over the phone or online.
- b. Conduct an accurate and thorough PCI compliance assessment of the potential risks and vulnerabilities to the confidentiality, integrity and availability of cardholder data.
- c. Completion of applicable Self-Assessment Questionnaire (SAQ) and all validation, testing and assessment requirements for becoming compliant with the current version of the PCI DSS.
- d. Provide guidance for policy and procedure creation and assist with the drafting and iteration of the policy.
- e. Propose a plan to monitor compliance, provide guidance on updates related to laws and regulations, and review compliance status within timeframes stipulated under the various laws and regulations.
- f. Provide written recommendations and/or a remediation plan to the organization to meet or exceed the current version of the PCI DSS.
- g. Establish the roles and responsibilities for the Finance Department, Information Technology Department and production departments.

FIGURE 1: INFRASTRUCTURE INFORMATION

City of Arlington Infrastructure

Number of Employees	2,617
Number of IT Staff	58
Number of Servers	475
Number of Workstations	3,261
Number of Windows Domains	1
Number of Firewalls and Vendors*	4
Number of Routers and Vendors*	2
Number of Internet- Accessible IP addresses in Use*	50
Number of Applications that Store cardholder data*	0
Number of Wireless Networks in Use:*	1

** In Scope of the RFP for PCI Compliance*

FIGURE 2: DEPARTMENT DATA

Departments

	Departments	No. MIDs	No. Physical Locations	No. Card Transactions Annually	Application	Payment Processor	Payment Gateway	Physical Interface
1	Airport	1	1	30	Terminal	Elavon	n/a	Dial-up
2	Animal Shelter	1	1	5,000	Terminal	Elavon	n/a	Dial-up
3	CDP	2	1	20,000	Terminal and Online	Elavon	E-Pay	Network
4	Code	1	0	20	Online	Elavon/US Bank	E-Pay	Network
5	E-Sports Stadium and Expo Center of Arlington	2	1	7,000	Terminal	Elavon	n/a	Network
6	Fire	2	1	2,000	Terminal and Online	Elavon/US Bank	E-Pay	Network
7	Golf	9	4	101,000	Terminal and Online	Elavon	TSYS and Authorize.net	Network and Dial-up
8	Library	2	7	3,200	Terminal and Online	Chase Paymentech	Payconnect	Network
9	Municipal Courts	2	1	45,000	Terminal and Online	Elavon and Chase Paymentech	Authorize.net	Network
10	Parks & Recreation	2	11	24,000	Terminal and Online	ActiveNetwork and Chase Paymentech	Authorize.net	Network
11	Police	3	1	7,000	Terminal and Online	Elavon and Chase Paymentech	E-Pay	Network
12	Transportation	2	1	2,100	Terminal and Online	Elavon and Braintree	Paypal	Network
13	Vitals/Open Records	1	1	4,000	Terminal and Online	Elavon and Chase Paymentech	Authorize.net	Dial-up
14	Webstore	1	0	2,000	Online	Chase Paymentech	Authorize.net	Network
15	Water Utilities	1	2	450,000	Online	Chase Paymentech	Invoice Cloud	Network
	Total	32	33	672,350				

APPENDIX A: APPLICATION LETTER FORM

July 25, 2019

City of Arlington – Treasury Dept.

101 S. Mesquite St. (Suite# 800)

Arlington, Texas 76010

Attention City of Arlington -Treasury Dept.:

In response to your Request for Qualification application for PCI Consulting services for the City of Arlington due July 25, 2019, the following application forms are submitted stating prices and terms of the services to be provided. I have read all attachments including the specifications and fully understand what is required.

I certify that I have the authority to submit the accompanying application and I am authorized to bind _____ PCI consulting firm to the terms and conditions of the application.

Respectfully submitted,

Authorized Signature PCI Consultant

PCI Consultant Firm

APPENDIX B: FEE SCHEDULE

Fees for PCI Compliance Services

	Billing Per Hour	One Time Fee	Monthly Fee	Annual Fee	Other
Consulting Fee					
On Site Location Audit					
Self-Assessment Questionnaires					
Vulnerability Scan Testing per IP address					
Training and Policy Development					
Remediation (software and hardware updates, etc.)					
Other					

For fees not listed above, please elaborate and provide additional information regarding any and all possible fees or package options associated with the PCI Compliance services requested in this RFQ.

APPENDIX C: VENDOR, CONTACT, AND REFERENCE INFORMATION

I. Company Name: _____

Address: _____

Federal Taxpayer Identification Number: _____

Website Address: _____

II. Vendor Contact Information:

Main Contact Name: _____

Title: _____

E-Mail: _____

Direct Phone Number: _____

Alternative Contact Information

Name: _____

Title: _____

E-Mail: _____

Direct Phone Number: _____

III. Vendor References:

	Reference Name	Contact Information	Company
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

APPENDIX D: CONFLICT OF INTEREST FORM

Disclosure of Certain Relationships

Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local government entity disclose in the Questionnaire Form CIQ (Exhibit 1), the vendor or person's affiliation or business relationship that may cause a conflict of interest with the City of Arlington.

CONFLICT OF INTEREST QUESTIONNAIRE For vendor doing business with local governmental entity		FORM CIQ
<p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>		OFFICE USE ONLY Date Received
1	Name of vendor who has a business relationship with local governmental entity.	
2	<input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)	
3	Name of local government officer about whom the information is being disclosed. _____ Name of Officer	
4	<p>Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
5	Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.	
6	<input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).	
7	_____ Signature of vendor doing business with the governmental entity	
	_____ Date	

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

- (i) a contract between the local governmental entity and vendor has been executed;

or

- (ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
- (3) has a family relationship with a local government officer of that local governmental entity.

- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

- (2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

ATTACHMENT E: NON-COLLUSION AFFIDAVIT FORM

CERTIFICATION OF INDEPENDENCE AND NO CONFLICT OF INTEREST

By submitting a application in response to the City of Arlington's **Request for Application 16-0056** the undersigned certifies the following:

1. The application has been developed independently, without consultation, communication or agreement with any employee or consultant to the City who has worked on the development of this RFQ, or with any person serving as a member of the evaluation committee.
2. The application has been developed independently, without consultation, communication or agreement with any other Vendor or parties for the purpose of restricting competition.
3. Unless otherwise required by law, the information found in the application has not been knowingly disclosed and will not be knowingly disclosed prior to the award of the contract, directly or indirectly, to any other Vendor.
4. No attempt has been made or will be made by the undersigned to induce any other Vendor to submit or not to submit a application for the purpose restricting competition.
5. No relationship exists or will exist during the contract period between the undersigned and the City that interferes with fair competition or as a conflict of interest.
6. The respondent's application is based solely on its own understanding of the requirements of the RFQ based on the written contents of the RFQ, and any written addenda and written clarifications provided to vendors during the procurement process by the purchasing agent.
7. The respondent acknowledges and agrees that the City is not bound by any oral or written representations, statements, promises, agreements (formal or informal), or understandings (collectively Statements) which were made at any time prior to or during the procurement process by an elected official, officer, appointed official, employee, agent, representative or consultant which are NOT expressly incorporated into the RFQ or included by written addenda or written clarifications during the procurement process and issued by the purchasing agent.
8. **The respondent** shall guarantee in writing the availability of the services offered and that all application terms, including cost, will remain firm a minimum of **90** days following the deadline for submitting applications.

Signature

Name and Title

Company Name

Date

ATTACHMENT F: INSURANCE COVERAGE

INSURANCE REQUIREMENTS (IN THE MINIMUM OF)

The successful bidder shall submit evidence of required insurance on an original ACORD certificate or a Texas Department of Insurance-approved form at time of request. The bidder will have no longer than fifteen (15) calendar days following notification of award to submit the required Acord form identifying The City as an additional insured to all applicable coverage, including materials, equipment, or supplies provided by the City. A current Acord form must be submitted upon policy changes, renewal, or upon request by the City. The City reserves the right to require or receive any additional documents necessary to confirm that the insurance requirements are being met, including but not limited to, policies and endorsements.

A certificate of insurance is not required at the time of the bid. However, an insurance certificate is required to be on file prior to start of any work.

1. **Commercial General Liability:** \$1,000,000.00 per occurrence, \$1,000,000.00 products/completed operations and \$2,000,000.00 general aggregate for bodily injury, personal injury and property damage. This policy shall have no coverage removed by exclusions.
2. **Automobile Liability:** \$1,000,000.00 combined single limit per accident for bodily injury and property damage. Coverage should be provided for any auto, or hired and non-owned vehicles.
3. **Workers' Compensation and Employers' Liability:** Statutory. Employers' Liability policy limits of \$1,000,000.00 for each accident, \$100,000.00 policy limit – disease, \$100,000.00 each employee - disease.
4. **Professional Liability Insurance:** Contractor shall obtain and maintain at all times during the prosecution of the work under this Agreement professional liability insurance. Limits of liability shall be \$5,000,000 per claim and aggregate. Contractor shall maintain this policy for a period of four (4) years after the completion of the project or shall purchase extended reporting period or “tail” coverage insurance.
5. **Financial Institution, Fidelity or Crime Insurance:** Contractor shall obtain and maintain insurance with a minimum limit of \$5,000,000 per occurrence that protects against losses including, but not limited to the following: Employee Dishonesty, Forgery or Alteration, Computer Fraud, Funds Transfer Fraud, Credit Card Forgery, Money Orders and Counterfeit Money, Theft of Money and Securities, and Robbery or Safe Burglary.
6. **Cyber Risk Liability (Network Security/Privacy Liability or Technology Liability)** Insurance including cloud computing and mobile devices, for protection of private or confidential information whether electronic or non-electronic, network security and privacy; privacy against liability for system attacks, digital asset loss, denial or loss of service, introduction, implantation or spread of malicious software code, security breach, unauthorized access and use; including regulatory action expenses; and notification and credit monitoring expenses with at least minimum limits as follows:

\$1,000,000 per occurrence or claim
\$2,000,000 aggregate

Coverage may be written as a stand-alone policy, or included as part of the General Liability policy. If Cyber Risk is included on the General Liability policy, the minimum policy limits required are \$2,000,000 per occurrence or claim and \$4,000,000 aggregate. If coverage is written on a claims made basis, the contractor must maintain this policy for a period of two (2) years after completion of services, or shall purchase an extended reporting period or "tail" coverage providing equivalent coverage for the same period of time.

Other Insurance Provisions

1. The City, its officials, employees and volunteers shall be named as an additional insured with a waiver of subrogation in favor of the City on the Commercial General Liability and Automobile Liability Insurance policies. These insurance policies shall contain the appropriate additional insured endorsement signed by a person authorized by that insurer to bind coverage on its behalf.
2. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled, reduced in coverage or in limits, or materially changed, except after thirty (30) days prior written notice has been provided to the City. If the policy is cancelled for non-payment of premium, only ten (10) days' notice is required.
3. Insurance is to be placed with insurers with an A.M. Best rating of no less than A:VII. The company must also be duly authorized to transact business in the State of Texas.
4. Workers' Compensation and Employers' Liability Coverage: The insurer shall agree to waive all rights of subrogation against the City, its officials, employees, and volunteers for losses arising from the activities under this contract.
5. Certificates of Insurance and Endorsements effecting coverage required by this clause shall be forwarded to:

Financial Services/Purchasing Division

Mailstop 63-0810

City of Arlington

P. O. Box 90231

Arlington, Texas 76004-3231

6. Workers' Compensation Insurance Coverage

- a. **Certificate of coverage** ("certificate") - A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83 or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.
- b. **Duration of the project** - Includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.
- c. **Persons providing services on the project** ("subcontractor" in Section 406.096) - Includes all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries and delivery of portable toilets.
- d. The contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the contractor providing services on the project, for the duration of the project.
- e. The contractor must provide a certificate of coverage to the City prior to beginning work on the contract.
- f. If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the City showing that coverage has been extended.
- g. The contractor shall obtain from each person providing services on a project, and provide to the City:
 - i. a certificate of coverage, prior to that person beginning work on the project, so the City will have on file certificates of coverage showing coverage for all persons providing services on the project; and

- ii. no later than seven (7) days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.
- iii. The contractor shall retain all required certificates of coverage for the duration of the project and for one (1) year thereafter.
- iv. The contractor shall notify the City in writing by certified mail or personal delivery, within ten (10) days after the contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.
- v. The contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.
- vi. The contractor shall contractually require each person with whom it contracts to provide services on a project, to:
 - (1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;
 - (2) provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
 - (3) provide the contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - (4) obtain from each other person with whom it contracts, and provide to the contractor a certificate of coverage, prior to the other person beginning work on the project; and a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - (5) retain all required certificates of coverage on file for the duration of the project and for one (1) year thereafter;

- (6) notify the governmental entity in writing by certified mail or personal delivery, within ten (10) days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
 - (7) contractually require each person with whom it contracts, to perform as required by paragraphs (1)-(7), with the certificates of coverage to be provided to the person for whom they are providing services.
 - h. By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the City that all employees of the contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.
 - i. The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the City to declare the contract void if the contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the City.
- 7. Any of the insurance policies required by the city may be written in combination with any of the others, where legally permitted, but none of the specified limits may be lowered thereby.
 - 8. Companies issuing the insurance policies and contractor shall have no recourse against CITY for payment of any premiums, or assessments for any deductible, as all such premiums are the sole responsibility and risk of contractor.
 - 9. Approval, disapproval or failure to act by CITY regarding any insurance supplied by contractor (or any subcontractors) shall not relieve contractor of full responsibility or liability for damages and accidents as set forth in the Contract documents. Neither shall the insolvency or denial of liability by the insurance company exonerate contractor from liability.
 - 10. All liability policies required herein shall be written with an "occurrence" basis coverage trigger.