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CITY OF DANVILLE REQUEST FOR PROPOSALS 14/15-023

Issue Date: August 10, 2014

Title: Voluntary Worksite Program

Period of Contract: From January 1, 2015 through December 31, 2019

Due Date: August 26, 2014 at 5:00 pm

Delivery Address: City of Danville; Attention: *Gary Via*
427 Patton Street
Danville, VA 24541

Sealed proposals will be received by the City of Danville prior to 5:00 PM, August 26, 2014 for furnishing the services described herein and then opened in public.

All inquiries for information should be directed to:

Gary Via, Director of Purchasing at viajg@danvilleva.gov

and must be received no later than five (5) working days before the due date.

In compliance with this Request for Proposal and to all the conditions imposed therein and hereby incorporated by reference, the undersigned offers and agrees to furnish the goods/services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiation.

Name and Address of Firm:

_____	Date:	_____
_____	By:	_____
		Signature in Ink
_____	Name:	_____
		Please Print
_____	Title:	_____
eVA Vendor	Telephone	
ID or DUNS	No.	_____
No.		

E-mail

Address:

FAX No.

VA SCC number: _____

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

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Section 1: Questions

Any questions regarding the proposal should be directed to City of Danville Purchasing Department:

Gary Via, Director of Purchasing
viajg@danvilleva.gov

Section 2: General Information

A. Definition of Group

- a. The group consists of the City of Danville.
- b. This RFP may reference the group as the City of Danville, the City or the Group.

B. Purpose

- a. The purpose of this Request for Proposals (herein, "RFP") is to solicit sealed proposals from highly qualified sources to establish a contract for a Voluntary Worksite Program for all full time and part time employees of the City, in accordance with the enclosed specifications.
- b. City of Danville reserves the right to award to more than one Offeror.
- c. City of Danville will select the firm(s) who they determine most closely satisfies the needs of the City. There is no requirement for acceptance of the lowest cost of service offered, and specific requirements may be waived or amended at the discretion of the City.

C. Objectives

- a. The primary objectives of the Voluntary Worksite Program are to provide access to the following services for full time, active employees and their household dependents:
 - i. Provides eligible employees and dependents with a quality and affordable plans.
 - ii. Provides ease of administration for the Group.
 - iii. Must be compatible with Benefit Focus online administration system and accept ongoing enrollment file feeds. The City's goal is for their employees to be able to go to one system and enroll in all of their benefits.
 - iv. Processes eligibility records accurately, efficiently, and timely and provides accurate billing on a timely basis.
 - v. Provides simplified communication resources.
 - vi. Provides timely, responsive customer service to the plan members and to the Group.
 - vii. Offerors are encouraged to provide additional options to achieve the objectives of the Group.
- b. Products to be offered:
 - i. Off-the-Job Accident with wellness benefit
 - ii. Voluntary Whole Life Insurance
 - iii. Critical Incident / Intensive Care
- c. City of Danville will offer these benefits through payroll deduction, but will not be contributing to the employee cost.

D. Background

- a. City of Danville currently offers voluntary worksite benefits to their employees and eligible dependents. Currently Transamerica Off-the-Job

Accident and Voluntary Whole Life benefits are offered and were effective January 1, 2012.

- b. Transamerica is not compatible with Benefit Focus who is the Benefits Administration and Enrollment system that the City of Danville will be using.
- c. Approximately 1,000 employees are eligible for the voluntary worksite plans.
- d. The Voluntary Worksite Program will be effective January 1, 2015.

Section 3: Statement of Needs

The purpose and intent of this RFP is to solicit sealed proposals from qualified sources to establish a contract for voluntary worksite insurance for the City of Danville through competitive negotiation. The City of Danville is interested in a financially aggressive option to replace the current benefits being offered.

A. Minimum Services Required:

- a. Provide or make available high quality voluntary worksite benefits to employees and eligible dependents.
- b. Allow an employee and their dependents to continue voluntary worksite coverage at the same group rate after they leave employment by paying the carrier directly.
- c. Provide high quality, efficient program administration and services, including, but not limited to:
 - i. Maintaining central claims and membership files (including the identification number or other identifying number, dates of coverage, type of coverage, etc.) for each covered member.
 - ii. Maintaining payment records.
 - iii. Maintaining separate accounts or sub-groups as required by the City.
 - iv. Must provide online services for eligibility, billing, enrollment, and member services.
 - v. Must be compatible with Benefit Focus online administration system and accept ongoing enrollment file feeds.
 - vi. Demonstrate capability to communicate, enroll and administer Voluntary Worksite Programs at competitive cost to the City.
 - vii. Provide detailed data required by the City's consultant, Digital Benefit Advisors, to support annual strategies and other reports upon request. The data required is a detailed extraction of claims and eligibility information.
 - viii. Meet with the City after the notice of award date to review the voluntary worksite benefits, account administration, present the proposed communication material, and to jointly establish a preliminary implementation plan, open enrollment program and schedule.
 - ix. Furnish and deliver at no cost to each enrolled employee a Certificate of Coverage Outlining and defining all covered services, limitations and exclusions, schedule of benefits, and other plan information requirements. The initial booklet proof must be provided to the City on a timely basis.
 - x. Furnish sufficient copies of a detailed summary of benefits, limitations, and exclusions for each eligible employee during open enrollment periods
 - xi. Provide open enrollment materials in hard copy and PDF format for internet and intranet posting.

- xii. Provide staff to participate in annual open enrollment meetings, periodic on-site orientation meetings for new employees, and health fairs.
 - xiii. Designate a primary, dedicated customer service contact responsible for resolving problems, answering claims, eligibility and coverage questions and administrative or billing issues, and expediting services related to overall performance of the contract.
 - xiv. Provide an organizational chart and list of contacts (with phone numbers, email addresses, departments, and titles) in relevant functional areas. Provide updates as changes occur.
 - xv. Provide a toll free customer service number, accessible beyond normal business hours (24 hour access preferred) for all services offered.
- d. Allow the City to pay monthly premiums and other expenses as reflected in the City's records (the City may not pay as billed) or at the City's choice the City may self-bill. The City will audit bills and eligibility records quarterly and allow the Offeror to audit records as necessary.
- e. Administrative Requirements:
- i. Must be compatible with Benefit Focus online administration system and accept ongoing enrollment file feeds.
 - ii. Provide an administrative procedure manual to the Group to be used to administer the program, including necessary forms and instruction.
 - iii. Meet with the group within 10 days after the notice of award date to review the voluntary worksite benefits, account administration, present the proposed communication material, and to jointly establish a preliminary implementation plan, open enrollment program and schedule.
 - iv. Furnish and deliver at no cost to each enrolled employee a Certificate of Coverage Outlining and defining all covered services, limitations and exclusions, schedule of benefits, and other plan information requirements. The initial booklet proof must be provided to the Group on a timely basis. The Group shall review and approve booklets prior to distribution. Booklets must be reprinted if changes are required.
 - v. Furnish sufficient copies of a detailed summary of benefits, limitations, and exclusions for each eligible employee during open enrollment periods
 - vi. Provide the Group Insurance contracts, as well as any other contractual documents necessary to quote this coverage no later than fifteen (15) days after notice of award.
 - vii. Provide open enrollment materials in hard copy and PDF format for internet and intranet posting.

B. Proposed Plan Design Specifications:

- a. The Offeror is requested to submit a proposal for only the following products:
 - i. Off-the-Job Accident with wellness benefit
 - ii. Voluntary Whole Life Insurance
 - iii. Critical Incident / Intensive Care
- b. If your company cannot provide a quote for all plans listed above, it is acceptable to present an offer for one or more of the plans listed.
- c. Please produce proposals for a guarantee issue disability product only. We will not be considering any medically underwritten City products.
- d. All rates should be guaranteed for at least 3 years. Extended rate guarantees are very important to the decision-making process.
- e. Offerors shall include in the Proposal a description of any significant task not listed in the Scope of Services which they know to be necessary either as reimbursable expenses under the Contract or as a service to be contracted for separately by the City.

C. Rate Guarantee & Contract

- a. A 5 year contract is desired: January 1, 2015 through December 31, 2019
- b. This would include a desired 3 year rate guarantee: January 1, 2015 through December 31, 2017. After the initial rate guarantee, there will be an option to renew for 2 additional years - January 1, 2018 through December 31, 2019

Section 4: Proposal Preparation and Submission Requirements

A. General Instructions

- a. RFP Response:
 - i. In order to be considered for selection, Offerors must submit a complete response to the RFP. One (1) original, so marked, and three (3) copies of each proposal must be submitted to the City of Danville.
 - ii. A digital copy of the proposal shall be submitted on a USB.

B. Proposal Preparation

- a. Proposals shall be signed by an authorized representative of the Offeror. All information requested should be submitted. Failure to submit all information requested may result in Purchasing requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by the City. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.
- b. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.
- c. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, sub-letter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and sub-letter should be repeated at the top of the next page. The proposal should contain a table of contents which cross-references the RFP requirements. Information which the Offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.
- d. As used in this RFP, the terms "must", "shall", "should" and "may" identify the criticality of requirements. "Must" and "shall" identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary. Depending on the overall response to

the RFP, some individual "must" and "shall" items may not be fully satisfied, but it is the intent to satisfy most, if not all, "must" and "shall" requirements. The inability of an Offeror to satisfy a "must" or "shall" requirement does not automatically remove that Offeror from consideration; however, it may seriously affect the overall rating of the Offerors proposal.

- e. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.
- f. Ownership of all data, materials, and documentation originated and prepared for the City pursuant to the RFP shall belong exclusively to the City and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of § 2.2-4342F of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.
- g. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to the City. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. The City will schedule the time and location of these presentations. Oral presentations are an option of the City and may or may not be conducted.

C. Specific Proposal Instructions

- a. Proposals should be as thorough and detailed as possible so that the City may properly evaluate your capabilities to provide the required services. Offerors should include in their Proposals a description of any significant task not listed in the Statement of Needs which they know to be necessary, either as reimbursable expenses under the Contract or as a service to be contracted for separately by the City. Offerors are encouraged to provide additional services which will enhance their ability to meet the City's objectives. Offerors are required to submit the following items as a complete proposal:

	Title Page
TAB I	Executive Summary All signed documents from RFP and all addenda acknowledgements, if any.
TAB II	Detailed Description of Coverages Quoted (including Limitations and Exclusions) Rates Exhibits and Deviations
TAB III	Questionnaire Responses from Section 6 of the RFP
TAB IV	Completed Rate and Benefit Grids from Section 7
TAB V	Sample Management Reports and Documents
TAB VI	Sample Documents and Communication Materials
TAB VI	Sample Contracts for each Benefit Proposed

Section 5: Method of Award

Following evaluation of the written proposals as submitted, selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals, on the basis of the factors involved in the Request for Proposals, including price if so stated in the Request for Proposals.

Negotiations may then be conducted with each of the Offerors so selected. Price shall be considered, but need not be the sole determining factor.

After negotiations have been conducted with each Offeror so selected, the City shall select the Offeror which, in its opinion, has made the best proposal, and shall award the contract to that Offeror or to multiple Offerors should the City and/or City decide this to be in their best interest.

Should the City determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that Offeror.

Section 6: Questionnaire

The following questionnaire will assist in evaluating the quality and services being offered to the City and/or City employees and their dependents as well as assist in the evaluation of the financial and contractual information requested of the vendor. Answer each question clearly and concisely. If the vendor is unable to answer a question or the question does not apply, the vendor shall indicate why.

Proposals that are substantially incomplete or lack key information may be rejected. Each response must immediately follow the respective question. All questions and responses shall be numbered-/labeled exactly as in this Questionnaire. If the vendor is unwilling to disclose particular information asked in a question, the vendor shall indicate why.

Samples of documents requested in General Information should be submitted in appropriate tabs as described in the proposal preparation section.

A. General Information

- a. Provide background information and a brief description of your organization. Include any pertinent information relative to the size and organizational structure of your company.
- b. Please provide the following contact information.

Point of Contact:	
Title:	
Company:	
Address:	
Telephone:	
Fax:	
E-mail:	

- c. Confirm you are compatible with Benefit Focus online administration system and you will accept ongoing enrollment file feeds.
- d. Please outline any on-line/paperless capabilities your organization employs to enroll employees into your worksite and/or voluntary programs.
- e. Are the systems you use in-house or do you outsource the system capabilities to other organizations?
- f. Describe the timing of your premium collection – is it collected in advance or in arrears?
- g. Confirm your ability to provide bills to separate divisions or sub-groups if required.
- h. Please outline any required enrollment conditions needed to offer your products. Include requirements for mandatory meetings, number of employees per location required for a meeting, etc.
- i. Describe the communication material available to employees to assist them in understanding the benefits offered.

- j. If you have any minimum enrollment requirements, what happens to employees selecting your products if participation requirements fall below your requirement?
- k. Outline what type of online access the City will have to member enrollment information. Can the City, for example, view active employees and make enrollment changes if needed?
- l. Are your products available for enrollment throughout the year for new hires, or just at certain points (e.g. annual open enrollments)
- m. Describe the process to enroll new hires (e.g. paper, call center, onsite enroller?)
- n. If you use onsite enrollment counselors for open enrollment are these enrollers employees of your firm or contractors?
- o. On what basis are enrollers compensated (per diem, commission, etc.)
- p. Please provide a chart showing our primary contacts at your organization for the benefits quoted. Include the length of each person's service with your company and in their current position as well as a summary of key roles of each in relation to the services quoted (e.g. day to day contact, senior account manager for renewals and strategy, etc.)
- q. Describe the process for employees to file claims or resolve claim issues with the proposed benefits.
- r. Outline the impact to benefits and cost to the member if a member leaves the City and wants to continue paying for plans on an individual basis.
- s. Describe access for plan members to member services or claim assistance including method of contact (toll free, chat, online) and hours of operation.
- t. Describe support services and personnel available to our human resources department to resolve issues.
- u. Confirm your firm's ability to provide the minimum services to be provided for each line as summarized in Section 3.
- v. Provide three client references.

Section 7: Rate and Benefit Grids

Besides any additional benefit or rate information included in your proposal, you must complete the following grids for each product quoted. Please confirm if your products include commissions.

OFF-THE-JOB ACCIDENT PLAN

MONTHLY RATE	Example Plan 1	
Employee Only	\$16.25	
Employee/Spouse	\$23.16	
Employee/Child(ren)	\$30.90	
Family	\$37.86	
BENEFIT		
Group or Individual	Group	
Underwriting	N/A	
Type of Plan	On/Off the Job	
Guarantee Issue	All	
Participation Requirement	5 approved applications	
Wellness Benefit	\$50	
Accident Hospital Confinement	\$250 per day	
Emergency Medical	\$150	
Fractures and Dislocations	\$25 - \$5,000	
Follow-up Physical Therapy	\$25 per day	
Additional Covered Conditions	Burns, coma, concussion, lacerations	
Taxability	Post-Tax	

VOLUNTARY WHOLE LIFE PLAN

MONTHLY RATE (sample)	Example Plan 1	
30-Year Old \$50,000	\$5.50	
40-Year Old \$50,000	\$6.75	
50-Year Old \$50,000	\$12.80	
BENEFIT		
Group or Individual	Group	
Guarantee Issue	\$100,000	
Employee Benefit	Increments of \$10K up to \$500K (or 5 times salary)	
Dependent Benefit	Spouse \$5K to \$250K; Child \$1K to \$10K	
Pre-ex	6 month look back	
Accidental Death Available	Yes	
Rate Guarantee	3 Years	
Taxability	Post-Tax	

INTENSIVE CARE/CRITICAL ILLNESS

	Example Plan one	
Max Allowable Benefit	\$2500.00	
Group or Individual	Group	
Underwriting	Simplified	
Guarantee Issue	\$10,000 ee/ \$5,000 spouse	
Participation Requirement for GI	15%	
Coverage Amount	EE - \$5K - \$50K; Spouse \$2.5K to \$25K; Child \$2,5K to \$5K	
Included Illnesses	Cancer, Heart Attach, Major Organ Transplant, Renal Failure, Stroke, Carcinoma in Situ, Coronary Artery, Bypass Surgery	
2nd and/or recurrent illness	Pays 25% of original benefit	
Pre-ex	12/12	
Cancer/Wellness Screening Benefit	\$75	
Taxability	Post-Tax	

Section 8: General Terms and Conditions

Codes and Standards: This procurement process is governed by the "PROCUREMENT CODE OF THE CITY OF DANVILLE, VIRGINIA". Copies of the Procurement Code may be obtained by writing the City of Danville, Purchasing Department, P.O. Box 3300, Danville, Virginia 24543.

Minority and/or female-owned businesses are encouraged to apply. The City of Danville is an equal opportunity employer and does not discriminate on the basis of race, color, creed, national origin or against faith-based organizations.

The Firm, its officers, agents, employees, and any subcontractors, in the performance of this Agreement shall comply with all applicable statutes and laws of the United States and the Commonwealth of Virginia, the Charter and ordinances of the City of Danville, and the applicable rules and regulations of the agencies of each. The Firm does not, and shall not during the performance of the contract for goods and services knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

During the performance of this contract, the Firm agrees as follows:

- The Firm will not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin, except where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the Firm. The Firm agrees to post in conspicuous places, available to employees or applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
- The Firm also shall not discriminate against any handicapped person in violation of any state or federal law or regulation and shall also post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this additional nondiscrimination clause.
- The Firm, in all solicitations or advertisements for employees placed by or on behalf of the Firm, will state that such Firm is an equal opportunity employer.
- Notices, advertisements and solicitations placed in accordance with federal law, rules or regulations shall be deemed sufficient for the purpose of meeting the requirements of this article.
- The Firm will otherwise comply with all other applicable provisions of local, State, and Federal law.

Drug Free Work Place: During the performance of this contract, the Firm agrees to:

- Provide a drug-free workplace for the Firm's employees

- Post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Firm's workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- State in all solicitations or advertisements for employees placed by or on behalf of the Firm that the Firm maintains a drug-free workplace.
- Include the provisions of the foregoing clauses in every subcontract or purchase order of or over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

"Drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a Firm in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

Indemnification: The Firm shall indemnify, keep and save harmless the City, its agents, officials and employees, against all injuries, deaths, loss, damages, claims, patent claims, suits, liabilities, judgments, costs and expenses, which may in anywise accrue against the City, its agents, officials and employees in consequence of the granting of this contract or which may in anyway result therefrom, whether or not it shall be alleged or determine that the act was caused through negligence or omission of the Firm or his employees, or of the subcontractor or his employees, if any, and the Firm shall, at his own expense, appear, defend and pay all charges of attorneys and other expenses arising therefrom or incurred in connection therewith, and, if any judgment shall be rendered against the City in any such action, the Firm shall, at his own expense, satisfy and discharge the same. The Firm expressly understands and agrees that any performance bond or insurance protection required by this contract, or otherwise provided by the Firm, shall in no way limit the responsibility to indemnify, keep and save harmless and defend the City, its agents, officials, and employees as herein provided. The Firm shall have charge and control of the entire work until its completion and acceptance by the City.

The Firm shall assume all risks and responsibilities for casualties of every description in connection with the work, except that he shall not be held liable or responsible for delays or damage to the work caused by acts of God, acts of Public enemy, acts of Government, quarantine restrictions, general strikes through the trade, or by freight embargoes not caused or participated in by the Firm. The Firm shall have charge and control of the entire work until completion and acceptance of the same by the City.

The Firm shall alone be liable and responsible for, and shall pay, any and all loss or damage sustained by any person or party either during the performance or subsequent to the completion of the work under this agreement by reason of injuries to persons and damage to property, buildings, and adjacent work, that may occur either during the performance of the work covered by this contract or that may be sustained as a result of or in consequence thereof, irrespective of whether or not such injury or damage be due to negligence or the inherent nature of the work.

The Firm shall bear all losses resulting from the amount or character of the work being different, or because the nature of the premises on which the work is done is different from what was expected, or on account of the weather, or similar other causes.

Insurance: The Firm shall not commence work under this contract until he has obtained all the insurance required hereunder and such insurance has been approved by the City; nor shall the Firm allow any Subcontractor to commence work on his subcontract until all similar insurance has been so obtained and approved. Approval of the insurance by the City shall not relieve or decrease the liability of the Firm hereunder.

- Worker's Compensation including Occupational Disease and Employer's Liability Insurance: The Firm shall take out and maintain during the life of this Contract Workers' Compensation and Employer's Liability Insurance for all of his employees to be engaged in work on the project under this contract in an amount no less than the minimum allowed by the State Corporation Commission, and in case of such work is sublet, the Firm shall require the Subcontractor similarly to provide Workers' Compensation and Employer's Liability Insurance for all of the latter's employees to be engaged in such work.
- Comprehensive General Liability Insurance: The Firm shall maintain during the life of this Contract comprehensive general liability insurance as shall protect him, the City of Danville and its offices, agents and employees, and any Subcontractors performing work covered by this Contract from claims for damage for personal injury, including death, as well as from claims for property damage, which may arise from operations under this Contract, whether such operations by himself or by any Subcontractor, or by anyone directly or indirectly employed by either of them. The amount of such insurance shall not be less than a combination single limit of \$1,000,000 per occurrence on bodily injury and property damage and \$1,000,000 aggregate on completed operations. The comprehensive general liability insurance shall provide the following coverage:

Comprehensive
Premises – Operation
Products/Completed Operations Hazard
Contractual Insurance
Underground Hazard
Explosion & Collapse Hazard
Independent Firm and Subcontractor
Broad Form Property Damage
Personal Injury

- Automobile liability insurance minimum combined single limits of \$1,000,000 for any one person and subject to the same limit for each person, \$1,000,000 on account of any one accident. This insurance shall include bodily injury and property damage for the following vehicles:

Owned Vehicles

Non-owned Vehicles
Hired Vehicles

- Umbrella Policy. At the option of the Firm, primary limits may be less than required, with an umbrella policy providing the additional limits needed. This form of insurance will be acceptable provided that the primary and umbrella policies both provide the insurance coverage's herein required. However, any such umbrella policy must have minimum coverage limits of \$3,000,000.00.

All policies shall name the City of Danville, its officers, agents, and employees, as additional insured. This coverage shall be reflected on the Certificates of Insurance (including any endorsements or riders thereto), which will be provided to the City. Each Certificate of Insurance shall require that notice be given thirty (30) days prior to cancellation or material change in the policies to the Director of Purchasing.

Written evidence of the insurance required herein shall be filed with the City not later than thirty (30) days following the date of the award of the Contract. A copy of the evidence of insurance shall be filed with the Director of Purchasing.

Payments to subcontractors: The Firm shall take one of the two following actions within seven days after receipt of amounts paid to the Firm by the City of Danville for work performed by the subcontractor:

1. Pay the subcontractor for the proportionate share of the total payment received from the agency attributable to the work performed by the subcontractor under that contract; or
2. Notify the agency and subcontractor, in writing, of his intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.

Individual Firms shall provide their social security numbers and proprietorships, partnerships, and corporations to provide their federal employer identification numbers.

The Firm shall pay interest to the subcontractor on all amounts owed by the Firm that remain unpaid after seven days following receipt by the Firm of payment from the City of Danville for work performed by the subcontractor, except for amounts withheld as allowed in subdivision 1.

Unless otherwise provided under the terms of this contract, interest shall accrue at the rate of one percent per month.

The Firm shall include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.

A Firm's obligation to pay an interest charge to a subcontractor pursuant to the payment clause in this section shall not be construed to be an obligation of the City of Danville. A contract modification shall not be made for the purpose of providing reimbursement for the

interest charge. A cost reimbursement claim shall not include any amount for reimbursement for the interest charge.

Firms organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Virginia Title 13.1 or Title 50 or as otherwise required by law. A Firm organized or authorized to transact business in the Commonwealth pursuant to Virginia Title 13.1 or Title 50 shall include in its bid or proposal the identification number issued to it by the State Corporation Commission. Any bidder or offeror that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 or as otherwise required by law shall include in its bid or proposal a statement describing why the bidder or offeror is not required to be so authorized.