

CITY OF COVINGTON, VIRGINIA



REQUEST FOR PROPOSALS NO. 2022-5

2023 GENERAL REASSESSMENT OF REAL ESTATE IN ACCORDANCE WITH THE CODE OF VIRGINIA

Issue Date: March 2, 2022

Closing Date: March 31, 2022

RFP No: RFP-2022-5 ISSUE DATE: March 2, 2022

TITLE: 2023 General Reassessment of Real Estate in Accordance with the Code of Virginia

ISSUED BY: City of Covington, Virginia
333 W. Locust Street
Covington, Virginia 24426

CLOSING DATE: March 31, 2022 2:00 p.m. local time

I. PURPOSE

The City of Covington, Virginia, is seeking proposals from qualified firms to carry out the general reassessment of real estate effective July 1, 2023, and provide related services to follow up on the general reassessment. The successful proposer will be asked to provide the services as stated in the following Scope of Services.

II. EXPLANATION OF PROCEDURES AND SCOPE OF SERVICES

A. General

The City of Covington, Virginia, will undertake the general reassessment of all real estate situated in the City beginning no later than July 1, 2022, through June 30, 2023 with the reassessment effective date of July 1, 2023. The City will seek to contract with a qualified, licensed real estate mass appraisal firm to perform this work. Proposals will be accepted in accordance with the information contained in this proposal package.

Covington is approximately 4.39 sq. miles. There are approximately 5,451 real estate parcels (5,016 taxable and 435 non-taxable). The city is located along Interstate 64 in the eastern portion of Alleghany County. The last general reassessment was conducted in fiscal year 2018-2019. The Commissioner of the Revenue is Cathy M. Kimberlin (540) 965-6352 and the City Manager is Krystal Onaitis (540) 965-6300.

B. Procedure to be Followed in Selection of Appraisal Firm and Supervision of Work

The City will follow the process for competitive negotiation of non-professional services under the Virginia Public Procurement Act. The City has a five-member City Council which has assigned responsibility for evaluating proposals, recommending a suitable firm, and supervising the appraisal firm's work to the Commissioner of the Revenue and the City Manager.

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

After a firm is selected to perform the appraisal work, the Commissioner of the Revenue will establish periodic meetings with the official in charge of the firm to ensure that the general reassessment is progressing satisfactorily.

C. Staff Support and Logistics

Firms submitting proposals must provide itemized pricing for supplying the following services:

- 1) The firm must be available to answer and/or meet with citizens during regular business hours. As part of its proposal, the firm must provide unit pricing on an hourly or lump sum basis for providing this service.
- 2) The firm must make speakers available for meetings with civic groups or other interested parties as directed by City Council for the purpose of disseminating general information pertaining to the assessment process. During the general reassessment, the firm will endeavor to promote good public relations with all taxpayers and the general public. As part of its proposal, the firm must provide unit pricing on an hourly or lump sum basis for participating in such meetings.
- 3) The firm must provide data processing, including data entry, services compatible with the City's CAMRA software computer system.
- 4) Preparation and mailing of reassessment notices, indicating reassessed property values.

The Firm will prepare the assessment notices showing existing name of real estate owner, mailing address, property description, existing map number, and an indication as to whether improvements are presently located on the property.

The City will provide:

- 1) Access to the current land books and property records in the possession of the Commissioner of the Revenue, as well as building and zoning records upon request;
- 2) The necessary office space and supplies including postage reimbursement for mailing the notices;
- 3) A copy of the current City tax maps;
- 4) Transportation for the Board of Equalization for field reviews as needed.

D. Professionalism

The firm must endeavor to promote good relations with all taxpayers and the general public. In order to meet this goal, the firm must comply with the following guidelines:

- 1) By courteous and pleasant in all personal, telephone, or email contact. Always speak clearly and professionally. Conversations should be focused on the business at hand. Do not joke or tease. Harassment or unlawful discrimination of any type is contrary to City policy.
- 2) Dress neatly and appropriately. Wear a prominently-displayed, City-approved picture identification badge. When approaching a property owner or occupant, identify yourself immediately by giving your personal name, company name, and the reason for your visit.
- 3) Transport for company staff must be clean and in good repair. Obey all traffic laws and park only in lawful places. Do not park near school areas or playgrounds. Vehicles must display City-approved identification.
- 4) Use walkways and driveways as often as possible when walking up to or around houses. Upon entering private property for the purpose of assessment, consent of the landowner must be obtained for entering non-public areas of the property. If an administrative search warrant is necessary to inspect the property, the firm should contact the City.
- 5) Enter a home only if invited by an adult owner or lawful occupant (e.g., lessee). Do not gather information from children or enter a home where children are alone. Do not linger in or around a dwelling.
- 6) Smoking is not permitted in City buildings, and representatives should not smoke in the presence of taxpayers when conducting business on behalf of the assessment.
- 7) All employees and agents of the firm are advised to avoid situations which knowingly place them in physical danger. If uncomfortable in approaching a particular property or owner alone, the City may provide an escort.

Right of Approval of Personnel

The City Council shall have the right to review and approve all personnel involved in the appraisal of real property in the City of Covington. They shall also have the right to require the removal of any person from work on the appraisal of real property in the City of Covington. It should be noted that all such persons are serving at the discretion of the City of Covington. The terms of the final contract between the firm and the City shall clearly empower the City to have any unsatisfactory employees of the firm or its subcontractors, if any, removed from work in the City of Covington. The firm shall meet qualifications and criteria established for such work by the Commonwealth of Virginia.

E. Scope of Work

The firm selected to perform the reassessment must carry out a uniform and equalized reassessment of all real property within the City, excluding property that is assessed by the Virginia State Corporation Commission, and the classification of all real property in accordance with State requirements. The values to be estimated shall be 100% of fair market value as required by the laws of the Commonwealth of Virginia.

a) Time Frame

The actual valuation process of this reassessment should begin no later than July 1, 2022, and must be completed by the firm no later than June 30, 2023. The approximate schedule should be:

Studies: Sales, cost, and income data studies should commence July 1, 2022. These studies should be continuously updated with new sales data up until the date of assessment.

Field Work: Site inspections should be carried out between July 1, 2022 and April 30, 2023

Assessment Notice Mailed: Assessment notices must be mailed during May, 2023.

Administrative Assessor Hearings: Hearings by the certified assessor should be conducted during May or June, 2023 and continuing until the assessment date. Corrections must be mailed on a rolling basis up until completion of the hearing process.

Land Book Certified: June 30, 2023

Board of Equalization Hearings: August 2023

b) Preparation of Assessment Cards and Work Papers: By June 30, 2023

All assessments must be recorded on cards produced by the Firm. The City will provide complete field sheets from the CAMRA software with improvements sketched. The City will also generate field sheets from the CAMRA software that contain owner, legal, map number, and acreage information to the extent they are known. The firm must verify or determine all information in connection with the construction, age, size, condition, and depreciation of each building or structure. The data must also include pricing for each building along with the owner's name, address, legal description, and tax map number. The firm must provide to the City work papers, all criteria used in determining land value and classification, plus total land and building values.

The City is requiring all improvements to be sketched and photographed and entered into the CAMRA software system.

c) Assessment Methodology

The assessor is ultimately responsible for the choice of methodology necessary to reach fair market value and to comply with Virginia law and professional standards. However, the following are requirements that the law places on assessors that must be observed in carrying out the City of Covington general reassessment. The Virginia Constitution requires that all real property be assessed at its fair market value. Fair market value is defined as:

The price property will bring when offered for sale by a buyer who desires but is not obliged to sell and bought by a buyer under no necessity of purchasing.¹

Assessors' work must be uniform and comply with generally-accepted appraisal practices, procedures, rules, and standard as prescribed by nationally-recognized professional appraisal organizations such as the International Association of Assessing Officers (IAAO) and applicable Virginia law on valuation of real property.

Among the principles that the assessor must carefully observe is the requirement to consider, with respect to each property or class of properties, that the assessor has considered each of the three approaches to real property valuation: the sales comparison approach, the income capitalization approach, and the cost approach. The rationale for the rejection of any of the three approaches should be documented. Similarly, documentation of the market surveys, formulas, matrices, and other factors considered in determining the assessment of properties or classes of properties should be developed and retained by the assessor.

d) Mobile Homes

The firm must prepare a listing of all mobile homes situated in the City. This listing must include, but not be limited to, the make, size, and condition, and model, year of manufacture, value, owner, and location. The location must be identified by tax map number. These homes must be assessed at fair market value.

e) Unique Properties

The City reserves the right, in conjunction with the assessor, to retain specialists to provide assistance or provide advice to the assessor with respect to special valuation methodologies for unique properties in the City.

f) New Construction

The firm shall coordinate its efforts with the Commissioner of the Revenue in appraising new construction and additions. Every reasonable effort shall be made by the parties to ensure that this function is not duplicated by the firm or by the Commissioner or omitted by both. The firm shall be responsible for appraising all new construction and additions during the term of the contract. New construction will be noted by the firm on the appraisal card and closely coordinated with the Commissioner of the Revenue.

Note: All sketches and photos will have to be entered into the CAMRA software computer system.

g) Sketches and Photographs

Consistent with state law on entry to private property, the firm must make a field inspection of all properties. For residential properties, the firm must, if possible, complete an exterior

¹ *Arlington Cnty. Bd. v. Ginsberg*, 228 Va. 633, 640 (1985).

inspection and record measurements of each residence, along with a sketch and photo of each residence. The type of construction must be recorded or verified by components such as foundations, basement area, wall construction, insulation, roof, floors, interior finish, heating system, fireplaces, plumbing, fixtures, number of rooms, number of bedrooms, year built, year remodeled, exterior condition, physical depreciation, functional and economic obsolescence, general quality of construction, rent if applicable, and recent sales data. All information so gathered shall be recorded by the firm in the City's CAMRA software computer system. All improvements on all parcels shall be photographed and sketched by the firm on the appraisal cards and shall be entered into the CAMRA software computer system.

h) Travel Expenses

The firm is responsible for all transportation and travel expenses for its employees and subcontractors, if any, and these costs must be included in the proposal price.

i) Public Input and Board of Equalization

The City of Covington will not use a Board of Assessors. The appraisal firm shall designate and provide an employee acceptable to the City to serve in the capacity of Professional Assessor under the State Code and be acceptable to the Virginia Department of Taxation. The proposer shall provide qualified appraisers, of which at least one Supervising Appraiser shall be assigned to work this reassessment throughout the entire process to ensure continuity.

All property owners in the City of Covington will be notified of changes in assessed value and land use value of their property by the Professional Assessor. Following this notification, the firm shall meet with property owners in order to explain, discuss and hear complaints concerning values established. These meetings shall be established jointly by the Commissioner of the Revenue and the firm.

Following such meetings with affected property owners, the real estate firm shall make any necessary field reviews of all properties of disputed value and shall make any changes necessary in the values originally established.

Following the general reassessment, the City of Covington is required by law to have a Board of Equalization. The Board of Equalization will establish meeting dates, times, and places to receive complaints from property owners regarding assessed values. It is anticipated these hearings will be conducted July 1, 2023 thru June 30, 2024. The firm must have representatives present at these hearings as required by the Board of Equalization.

j) Unique Properties

The Commissioner of the Revenue and the City reserve the right to engage specialist appraisers for unique properties in the City of Covington, including, but not limited to real property owned by WestRock Virginia, LLC and Ingevity Virginia Corporation. Such appraisers, if retained, will be certified real estate appraisers qualified to practice appraisal in the Commonwealth of Virginia. The successful proposer under this RFP must take their analysis into

account and give it due weight in their assessments. However, the successful firm will have the final decision on the assessment to place on properties.

F. Appeals and Records Retention

In the event of an appeal to the courts, the firm will furnish such competent witnesses as may be required by the City to defend the valuations of the properties in question. It is specifically understood that the firm's obligation under this section until three years after the last day of the last year in which this general reassessment is in effect.

The assessor also must retain copies of all records relating to the assessment for the same time period, including computer files and work papers.

G. Terms of Payment

Invoices shall be submitted to the city on a monthly basis after work has begun but not before July 1, 2022. The city will make payments on the basis of the number of parcels appraised less a 10% retainage as a performance guarantee. The city will consider, if so requested, making an initial mobilization payment to the firm selected in order to defray the cost of preliminary studies and other work necessary before July 1, 2022. The amount of such payment must be specified in the proposal submitted by the firm.

H. Submission of Proposals:

Each individual/firm preparing a bid for this project shall submit one original and six copies of a proposal. All copies of the proposal shall be submitted in one sealed envelope marked "GENERAL REASSESSMENT, CITY OF COVINGTON"

Proposals must be addressed to:

Krystal Onaitis, City Manager
City of Covington
333 W. Locust Street
Covington, VA 24426

Proposals must be received by the City no later than 2:00 p.m., March 31, 2022

Proposals should include the following sections:

1. Letter of Introduction
 - a. Signed by an officer of the firm.
 - b. Name and address of the firm.
 - c. Name, address and phone number of authorized contacts.
2. Vendor's Company Background

- a. Description of company organization and staffing. This should include the City of Covington project lead and primary support staff. The project lead should also be on the team that interviews with the City if the firm is shortlisted.
 - b. Resumes of key staff.
3. Plan of Execution of Proposal
- a. Description of assessment problem presented by the City of Covington.
 - b. Key dates and deliverables, and narrative description of how goals will be reached.
 - c. Discussion of methodologies and outcomes from previous projects.
4. Vendor's Financial Stability
- a. Vendor must guarantee, in writing, the financial stability necessary to complete the project.
 - b. Copy of Dun & Bradstreet report if available.
 - c. Credit references.
 - d. Insurance certificate.
5. Qualifications of Vendor
- a. A list of contacts from previously completed tasks of this type.
 - b. The City of Covington reserves the right to visit the bidder's work sites, whether or not on the list.
6. Signatures
- a. Submissions must be submitted with the signatures of appropriate company officers.
 - b. Corrections and erasures must be initialed by the person signing the proposal or an authorized representative.
7. Certificates
- a. Certificate of familiarity
 - b. Non-collusion certificate
 - c. Evidence of registration to do business in the Commonwealth of Virginia.

General Terms and Conditions of the Contract

1. **Anti-Discrimination:** By submitting your proposal, you certify to the City of Covington that you will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the Virginia Public Procurement Act (VPPA). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (Code of Virginia, § 2.2-4343.1E).

In every contract over \$10,000, the following provisions also apply:

- 1.1. During the performance of this contract, the you agree as follows:
 - 1.1.1. You will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of your business. You agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
 - 1.1.2. In all solicitations or advertisements for employees placed by or on behalf of the contractor, you will state that you are an equal opportunity employer.
 - 1.1.3. During the performance of this contract, you agree to (i) provide a drug-free workplace for your employees; (ii) 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 your workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on your behalf that you maintain a drug-free workplace. For the purposes of this section, “drug-free workplace” means a site for the performance of work done in connection with a specific contract awarded to you, the employees at which 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.
 - 1.1.4. Notices, advertisements and solicitations placed in accordance with federal law, rule, or regulation are sufficient for the purpose of meeting these requirements.
- 1.2. You must include the provisions of 1.1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

2. **Antitrust:** By entering into a contract, you convey, sell, assign, and transfer to the City of Covington all rights, title and interest in and to all causes of action you may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the City of Covington under this contract.
3. **Applicable Laws and Courts:** This solicitation and any resulting contract are governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect to it must be brought in the courts of Alleghany County, Virginia. You must comply with all federal, state, and local laws and regulations.
4. **Assignment of Contract:** You may not assign this contract, in whole or in part, without the written consent of the City of Covington.
5. **Availability of Funds:** It is understood and agreed that the City of Covington is bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this contract.
6. **Pricing:** The Bid/Proposal price must be an all-inclusive price to deliver the specified goods and/or services FOB Destination to the address specified. Invoices must be itemized and will be paid at the unit price in the proposal. The City will not accept or pay for additional line items such as freight, shipping and handling, delivery, downtime, equipment, lost time due to inclement weather or any other charges additional to the unit prices quoted in the Bid/Proposal.
7. **Changes to the Contract:** Changes can be made to the contract in any of the following ways:
 - 7.1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
 - 7.2. The City of Covington may order changes within the general scope of the contract at any time by written notice to you. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. You must comply with the notice upon receipt. You will be compensated for any additional costs incurred as the result of such order, and must give the City of Covington a credit for any savings. The compensation will be determined by one of the following methods:
 - 7.2.1. By mutual agreement between the parties in writing; or
 - 7.2.2. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and you account for the number of units of work performed, subject to the City of Covington's right to audit your records and/or to determine the correct number of units independently; or
 - 7.2.3. By ordering you to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup must be used for determining a decrease in price as the result of savings realized. You must present the City of Covington with all vouchers and records of expenses incurred and savings realized. The City of Covington will have the right to audit your records as it

deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the City of Covington within thirty (30) days from the date of receipt of the written order from the City of Covington. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance will be resolved in accordance with the procedures for resolving disputes provided by the Claims Clause of this contract. Neither the existence of a claim nor a dispute resolution process, litigation, or any other provision of this contract excuses you from promptly complying with the changes ordered by the City of Covington or with the performance of the contract generally.

8. **Claims:** Contractual claims, whether for money or other relief, must be submitted in writing to the City Manager, 333 W. Locust Street, Covington, Virginia 24426, no later than sixty (60) days after final payment; however, written notice of your intention to file such claim must be given at the time of the occurrence or beginning of the work upon which the claim is based. Nothing herein precludes a contract from requiring submission of an invoice for final payment within a certain time after completion and acceptance of the work or acceptance of the goods. Pending claims shall not delay payment of amounts agreed due in the final payment (Code of Virginia, Section 2.2-4363). A contractor may not institute legal action prior to receipt of the City Manager's decision on the claim, unless that office fails to render such decision within thirty (30) days. Failure of the City to render a decision within thirty (30) days shall not result in the contractor being award the relief claimed or in any other relief or penalty. The sole remedy for the City's failure to render a decision within thirty (30) days is the contractor's right to institute immediate legal action. The decision of the City Manager is final and conclusive unless the contractor, within six (6) months of the date of the final decision of the claim, institutes legal action as provided in the Code of Virginia, Section 2.2-4364.
9. **Debarment Status:** By submitting a proposal, you certify that you are not currently debarred by the Commonwealth of Virginia or any agency of the United States of America from submitting proposals on contracts for the type of goods and/or services covered by this solicitation, nor are you an agent or affiliated corporate entity of any person or entity that is currently so debarred.
10. **Default:** In case of failure to deliver goods or services in accordance with the contract terms and conditions, the City of Covington, after due oral or written notice, may procure them from other sources and hold you responsible for any resulting additional purchase and administrative costs. This remedy is in addition to any other remedies that the City of Covington may have. In addition, the City of Covington reserves the right to cancel any orders placed that are not delivered by the date specified in the proposal.
11. **Ethics in Public Contracting:** By submitting your proposal, you certify that your proposal is made without collusion or fraud and that you have not offered or received any kickbacks or inducements from any other proposer, supplier, manufacturer, or subcontractor in connection with your proposal, and that you have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

12. **Immigration Reform and Control Act of 1986:** By submitting a proposal, you certify that you do not and will not, during the performance of this contract, employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.
13. **Indemnification:** You agree to indemnify and hold harmless the City of Covington, its officers, agents, and employees from any claims, damages, and actions of any kind or nature, whether at law or in equity, arising from or caused by any kind or nature of services furnished by your use of any materials, goods, or equipment of any kind or nature, provided that such liability is not attributable to the sole negligence of the City of Covington.
14. **Nondiscrimination of Contractors:** The City of Covington will not discriminate against any bidder, proposer, offeror, or contractor in the award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the City of Covington will offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.
15. **Payment:**
 - 15.1. **To Prime Contractor:**
 - 15.1.1. You must submit invoices for items ordered, delivered, and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices must show the City of Covington or state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
 - 15.1.2. Any payment terms requiring payment in less than 45 days will be regarded as requiring payment 45 days after invoice or delivery, whichever occurs last. This does not affect offers of discounts for payment in less than 45 days, however.
 - 15.1.3. All goods or services provided under this contract or purchase order that are to be paid for with public funds, must be billed by you at the contract price, regardless of which public agency is being billed.
 - 15.1.4. The following are deemed the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
 - 15.1.5. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, you are on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and may be challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the City of Covington will promptly notify you, in writing, as to those charges which it

considers unreasonable and the basis for the determination. You may not institute legal action unless you have followed the Claims clause of this contract. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (Code of Virginia, § 2.2-4363).

15.2. To Subcontractors:

15.2.1. You must:

15.2.1.1. Pay any subcontractor(s) or sub vendor(s) within seven (7) days of your receipt of payment from the City of Covington their proportionate share of the payment received for work performed by the subcontractor(s) or sub vendor(s) under the contract; or

15.2.1.2. Notify the City of Covington and the subcontractor(s), in writing, of your intention to withhold payment and the reason.

15.2.2. You must pay the subcontractor(s) or sub vendor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by you that remain unpaid seven (7) days following receipt of payment from the City of Covington, except for amounts withheld as stated in 15.2.1.2. above. The date of mailing of any payment by U.S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor or vendor performing under the primary contract. Your obligation to pay an interest charge to a subcontractor is not an obligation of the City of Covington, and may not be charged to the City of Covington.

16. **Precedence of Terms:** The following General Terms and Conditions ANTI-DISCRIMINATION, ANTITRUST, APPLICABLE LAWS AND COURTS, DEBARMENT STATUS, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTROL ACT OF 1986, PAYMENT apply in all instances.
17. **Qualification of Bidders/Proposers:** The City of Covington may make such reasonable investigations as it deems proper and necessary, at any time, to determine your ability to perform the services/furnish the goods and you must furnish to the City of Covington all such information and data for this purpose as may be requested. The City of Covington reserves the right to inspect your physical facilities prior to award to satisfy questions regarding your capabilities. The City of Covington further reserves the right to reject any proposal if the evidence submitted by, or investigations of, you fail to satisfy the City of Covington that you are a responsible proposer. Shortlisting you for interviews is not a conclusive determination of responsibility.
18. **Supremacy Clause:** Notwithstanding any provision in your proposal to the contrary, the terms and conditions contained in this RFP prevail over contrary terms and conditions contained in your proposal.
19. **Taxes:** Sales to the City of Covington are normally exempt from State sales and use tax. State sales and use tax certificates of exemption will be issued upon request. Deliveries under this contract are usually free of Federal excise and transportation taxes.

20. **Testing and Inspection:** The City of Covington reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.
21. **Use of Brand Names:** Unless otherwise provided in this solicitation, the name of a certain brand, make, or manufacturer does not restrict proposers to the specific brand, make, or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article which the City, in its sole discretion, determines to be the equivalent of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, will be accepted. You are responsible to clearly and specifically identify the product being offered and to provide sufficient descriptive literature, catalog cuts, and technical detail to enable the City to determine if the product offered meets the requirements of this solicitation. This is required even if offering the exact brand, make, or manufacturer specified. Failure to furnish adequate data for evaluation purposes may result in declaring a proposal nonresponsive. Unless you clearly indicates in your proposal that the product offered is an equivalent product, such proposal will be considered to offer the brand name product referenced in the solicitation.
22. **Termination:**
- 22.1. The City may terminate this contract with or without cause by giving you a thirty (30) day notice in writing. Upon delivery of said notice and upon expiration of the thirty (30) day period, you must discontinue all services in connection with the performance of this contract and shall proceed to cancel promptly all related third party contracts. Termination of the Contract by the City pursuant to this paragraph terminates all of the City's obligations hereunder and no charges, penalties or other costs shall be due contractor except for compensation of work timely and satisfactorily completed.
- 22.2. In addition to the City's right of termination, either party may terminate this contract in the event the other party violates or fails to perform any covenant, provision, obligation, term, or condition contained in this contract, provided that unless otherwise provided in this contract, such failure or violation is not cause for termination if the defaulting party cures such default (if the default is susceptible to cure) within thirty (30) days of receipt of a written notice of default. The notice of default must state the party's intent to terminate the contract if the default is not cured within a specified time period.
- 22.3. **Appropriation Approval.** You acknowledge that the City's performance and obligation to pay under this contract is contingent upon annual appropriation by City Council. You agree that in the event that such appropriation is not forthcoming, the City may terminate this contract and no charges, penalties, or other costs shall be assessed. The City will give you prompt notice of any event of non-appropriation. In the event of a temporary political budgetary impasse, the City may suspend your performance of this contract, and its obligation to pay hereunder, for up to 90 days to allow appropriation of funds to occur.
23. **Insurance:** You certify that you and your subcontractors, if any, will have the insurance coverage set forth below at the time the contract is awarded and that such insurance will be maintained during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission. "City of Covington, its officers, agents, and employees" must be named as additional insured on a primary basis and so endorsed on the policy. Such additional insured status must be primary without participation by the City's insurers.

Each required insurance policy shall provide at least 30 days' written notice of cancellation to the City of Covington.

If the liability insurance is issued on a "claims made" basis, you must either:

- 23.1. Agree to provide certificates of insurance evidencing the General Liability coverage for a period of two (2) years after final payment for the Contract. This certificate shall evidence a "retroactive date" no later than the beginning of the contractor's work under this Contract, or
- 23.2. Purchase the extended reporting period endorsement for the policies in force during the term of this Contract and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance and a copy of the endorsement.

24. **Minimum Insurance Required:**

24.1. Workers' Compensation: Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, including the employer.

24.2. Employer's Liability:

Each Accident:	\$100,000
Disease, Each Employee:	\$100,000
Disease, Policy Limit:	\$500,000

24.3. Commercial General Liability:

General Aggregate:	\$2,000,000
Each Occurrence:	\$1,000,000

Commercial General Liability must include bodily injury and property damage, personal injury, advertising injury, products and completed operations coverage. General Aggregate limit must apply separately to the project. The insurance coverage must be primary and non-contributory.

24.4. Automobile Liability: Combined single limit of \$1,000,000

24.5. Umbrella Liability: \$2,000,000 per occurrence.

CERTIFICATE OF FAMILIARITY

The undersigned, having fully familiarized themselves with the information contained in this entire Request for Proposal, submits the attached Proposal, which I certify to be true and correct to the best of my knowledge.

_____ Authorized Signature

_____ Date

_____ Title

_____ Company

_____ Address

_____ Telephone

NON-COLLUSION STATEMENT

My signature certifies that neither my proposal to perform the obligations of this agreement nor the manner and methods of my performance is the result of, or affected by, any unlawful act of collusion with another person or company engaged in the same line business or commerce, or any act of fraud punishable under the Virginia Conflict of Interests Act, section 2.2-3100 et seq. of the Code of Virginia, 1950, as amended, the provisions of the Virginia Public Procurement Act on Ethics in Public Contracting, sections 2.2-4367 et seq. of the Code of Virginia, 1950, as amended the Virginia Governmental Frauds Act, sections 18.2-498.1 et seq. of the Code of Virginia, 1950, as amended. Furthermore, I understand that violations of these statutes are crimes, and can result in fines, prison sentences, and civil damage awards.

I hereby certify that I am authorized to sign, personally or as a Representative for the Firm:

Name of Firm or Individual: _____

Address: _____

Signature

Date

Printed Name and Title

Telephone: _____

Fax: _____

FEI/TI No. _____

Email: _____