

**CITY OF FORT COLLINS
INVITATION TO BID
BID# 6003- MAILING SERVICES**

BID OPENING: 3:00 p.m. (our clock), on October 30, 2006

Sealed bids will be received and publicly opened at the office of the Director of Purchasing and Risk Management, 215 North Mason St., 2nd Floor, Fort Collins, Colorado 80524, at the time and date noted on the bid proposal and/or contract documents. Reference bid number. If delivered, they are to be sent to 215 North Mason Street, 2nd Floor, Fort Collins, Colorado 80524. If mailed, the address is P.O. Box 580, Fort Collins, Colorado 80522-0580.

Bids must be received at the Purchasing Office prior to 3:00 p.m. (our clock), on October 30, 2006.

Questions concerning the scope of the bid should be directed to Project Manager, Joanne Agens, at (970) 221-6781, or e-mail at jagens@fcgov.com.

Questions regarding bid submittal or process should be directed to David Carey, CPPB, Buyer, at (970) 221-416-2191, or e-mail at dcarey@fcgov.com.

A copy of the Bid may be obtained as follows:

1. Download the Bid from the Purchasing Webpage, Current Bids page, at: <https://secure2.fcgov.com/bs0/login.jsp>.
2. Come by Purchasing at 215 North Mason St., 2nd floor, Fort Collins, and request a copy of the Bid.

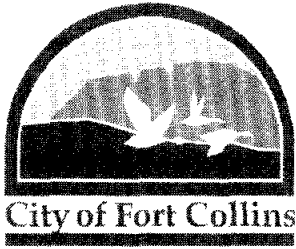
Special Instructions

All bids must be properly signed by an authorized representative of the company with the legal capacity to bind the company to the agreement. Bids may be withdrawn up to the date and hour set for closing. Once bids have been accepted by the City and closing has occurred, failure to enter into contract or honor the purchase order will be cause for removal of supplier's name from the City of Fort Collins' bidders list for a period of twelve months from the date of the opening. The City may also pursue any remedies available at law or in equity. Bid prices must be held firm for a period of forty-five (45) days after bid openings.

Submission of a bid is deemed as acceptance of all terms, conditions and specifications contained in the City's specifications initially provided to the bidder. Any proposed modification must be accepted in writing by the City prior to award of the bid.

Only bids properly received by the Purchasing Office will be accepted. All bids should be clearly identified by the bid number and bid name contained in the bid proposal.

No proposal will be accepted from, or any purchase order awarded to any person, firm or corporation in default on any obligation to the City.



Bids must be furnished exclusive of any federal excise tax, wherever applicable.

Bidders must be properly licensed and secure necessary permits wherever applicable.

Bidders not responding to this bid will be removed from our automated vendor listing for the subject commodities.

The City may elect where applicable, to award bids on an individual item/group basis or on a total bid basis, whichever is most beneficial to the City. The City reserves the right to accept or reject any and all bids, and to waive any irregularities or informalities.

Sales Prohibited/Conflict of Interest: no officer, employee, or member of City Council, shall have a financial interest in the sale to the City of any real or personal property, equipment, material, supplies or services where such officer or employee exercises directly or indirectly any decision-making authority concerning such sale or any supervisory authority over the services to be rendered. This rule also applies to subcontracts with the City. Soliciting or accepting any gift, gratuity, favor, entertainment, kickback or any items of monetary value from any person who has or is seeking to do business with the City of Fort Collins is prohibited.

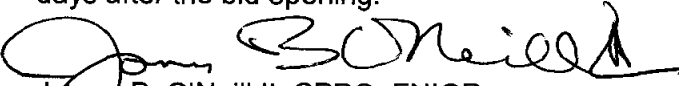
Freight Terms: Unless otherwise noted, all freight is F.O.B. Destination, Freight Prepaid. All freight charges must be included in prices submitted on proposal.

Discounts: Any discounts allowed for prompt payment, etc., must be reflected in bid figures and not entered as separate pricing on the proposal form.

Purchasing Restrictions: Your authorized signature of this bid assures your firm's compliance with the City's purchasing restrictions. A copy of the resolutions is available for review in the Purchasing Office or the City Clerk's Office.

Collusive or Sham Bids: Any bid deemed to be collusive or a sham bid will be rejected and reported to authorities as such. Your authorized signature of this bid assures that such bid is genuine and is not a collusive or sham bid.

Bid Results: For information regarding results for individual bids send a self-addressed, self-stamped envelope and a bid tally will be mailed to you. Bid results will be posted in our office 7 days after the bid opening.


James B. O'Neill II, CPPO, FNIGP
Director of Purchasing and Risk Management

**CITY OF FORT COLLINS
BID PROPOSAL**

**BID# 6003 - MAILING SERVICES
BID OPENING: 3:00 p.m. (our clock), on October 30, 2006**

SCOPE OF SERVICES

General Description:

The City of Fort Collins (City) requires regular and periodic mailing services for both Utilities and Sales Tax Department mail pieces. Courier services are also required for pick-up and delivery of components for Utility mailings at the Platte River Power Authority (PRPA) facility, 2000 E. Horsetooth, in Fort Collins or the appropriate City office. Same-day service is required for Utility mailings. Additional mailing services may be required for miscellaneous Utilities, Sales Tax and other City department mailings. Contractor to provide all labor, equipment and facilities necessary to perform required services.

Vendors may bid on specific groups of mailings if desired. The City may elect to split bid award on an individual item/group basis or award to a single contractor on a total bid basis, whichever is most beneficial to the City. The City reserves the right to accept or reject any and all bids, and to waive any irregularities or informalities.

In addition, at the option of the City, the Services Agreement with selected contractor(s) may be extended for additional one-year periods not to exceed four (4) additional one-year periods.

Regular and Periodic Services:

Utility Mailings:

- 1) **Utility Bills:** Average number per month is 70,000. Each piece consists of: (1) 8-1/2"x11" bill, inserts (average 2 per month), (1) #9 return envelope and (1) #10 mailing envelope. Pick up materials at Platte River Power Authority (PRPA) or the appropriate City office. Bills require folding. Additional inserts usually are pre-folded. Place bill, inserts, and #9 return envelope in the #10 mailing envelope. Envelope is sealed. Bundle, prepare for carrier route discount, mails on City's postage permit #1, complete the appropriate paperwork, and deliver to post office. Bills must be kept in exact order throughout the process. Provide City with copy of paperwork from Postal Service.

- 2) **Electronic Fund Transfer Confirmation:** Average number per month is 8,500. Each piece is same as Utility Bill except without #9 return envelope. Pick up materials at appropriate City office. Process the same as Utility Bills except without #9 return envelope. Bundle, presort to qualify for automated 3 digit rate, complete appropriate paperwork and deliver to post office.

- 3) **Delinquency Notices:** Average number per month is 7,500. Each piece consists of: (1) 8-1/2"x11" notice, (1) #9 return envelope and (1) #10 mailing envelope. Pick up materials at Platte River Power Authority (PRPA) or appropriate City office. Fold notices. Insert notice and #9 return envelope into #10 mailing envelope. Seal envelope. Bundle, prepare for 1st class automation discount, complete appropriate paperwork and deliver to post office.

4) 2nd Delinquency Notices (Pink): Average number per month is 3,500. Each piece consists of: (1) 8-1/2"x11" notice and (1) #10 mailing envelope. Pick up materials at appropriate City office. Fold notices. Insert notice into #10 mailing envelope. Seal envelope. Bundle, prepare for 1st class automation discount, complete appropriate paperwork and deliver to post office.

5) Final Utility Bills: Average number per month is 2,000. Each piece consists of: (1) 8-1/2"x11" notice, (1) #9 return envelope and (1) #10 mailing envelope. Pick up materials at appropriate City office. Fold bill. Insert bill and #9 return envelope into #10 mailing envelope. Seal envelope. Bundle, presort to qualify for automated 3 digit rate, complete appropriate paperwork and deliver to post office.

6) Owner Notification Letter: Average number per month is 2,000. Each piece consists of: one (1) 8-1/2"x11" personalized letter and (1) #10 window mailing envelope. Pick up materials at appropriate City office. Fold letter and insert into #10 mailing envelope. Bundle, presort to qualify for automated 3 digit rate, complete appropriate paperwork and deliver to post office.

7) New Customer Letter: Mailing of a letter and utility rate brochure throughout the year. Approximately 25,000 mailed per year. Each piece consists of: (1) 8-1/2"x11" personalized letter, (1) pre-folded utility rate insert, and (1) #10 window mailing envelope. Pick up materials at City Utility Billing office. Fold letter, insert letter and brochure into envelope, seal. Bundle, prepare for 1st class automation discount, complete appropriate paperwork and deliver to post office.

8) Courier Services: For pick-up and deliver of components for above Utility mailings as required.

9) Miscellaneous Utility Mailings: As required.

Sales Tax Mailings:

1) Monthly Payment Returns: One (1) time annual mailing of approximately 2,500 pieces made in January. Each piece consists of: (12) personalized returns, (12) #9 return envelopes and (1) 9"x12" window mailing envelope. Vendor to collate and insert components into mailing envelope, seal, hand sequence per ZIP code, and mail using City's postage permit #1. Pick up components from City Sales Tax Office. Name and address preprinted on each return.

2) Quarterly Payment Returns: One (1) time annual mailing of approximately 2,500 pieces made in January. Each piece consists of: (4) personalized returns, (4) #9 return envelopes and (1) 9"x12" window mailing envelope. Vendor to collate and insert components into mailing envelope, seal, hand sequence per ZIP Code, and mail using City's postage permit #1. Pick up components from Sales Tax Office. Name and address preprinted on each return.

3) Annual Payment Returns: One (1) time annual mailing of approximately 5,000 pieces made in November. Each piece consists of: (1) 8-1/2" x 11" return, (1) #9 return envelope and (1) 9"x12" window mailing envelope. Vendor to insert components into mailing envelope, seal, hand sequence per ZIP code, and mail using City's postage permit #1. Pick up components from City Sales Tax Office. Name and address preprinted on each return.

4) Miscellaneous Sales Tax Mailings: As required.

Additional Mailing Services:

- 1) Self-mailing brochure, letter card and letter mailings by other City departments as required.

Please call David Carey at (970) 221-6775 to request samples of above pieces.

The City of Fort Collins bar codes the zip code on utility bills. Approximately 85-90% of the utility bills qualify for the carrier route postage discount under the U S Postal Rate Reclassification effective July 1, 1996. The majority of the utility bills are printed in carrier route sequence.

In order for the City to achieve the maximum postage discount available, it is **crucial** that the contractor maintain the bills in this sequence during folding, inserting and sorting operations. The mailing contractor will be responsible for the preparation of all documentation required by the Postal Service to obtain the carrier route discount at the time the City bills are presented for mailing and providing City with copy of documentation.

Mail that fails to qualify for carrier route rates must be submitted as a separate mailing or co-mingled for 1st class automation rates. Preference may be given to bidders who can co-mingle.

Sorting may be necessary on occasion.

Envelopes will be supplied to the successful bidder ("contractor"). The contractor will be responsible for picking up the envelopes for the Owner Notification Letters New Customer Letters and Sales Tax Mailings at appropriate City office. Contractor must coordinate pick-up with City representative. Envelopes for Utility Bills, Delinquency Notices, Final Utility Bills, and Electronic Fund Transfer Confirmations will be dropped shipped from supplier. Contractor must be able to manipulate palletized supplies and warehouse up to 12 pallets at all times (for regular Utility mailings only). Contractor will maintain inventory and advise City representative when to re-order.

Utility Bills and Delinquency Notices will have the City's mailing permit printed on the envelope. Co-mingling of mail with other firm's mail may be considered if is determined to be in the best interest of the City. Otherwise, the City's mail imprint is to be used.

The Utility Bills, Delinquency Notices, and Letters will be picked up by the contractor on a scheduled day. **Same-day mailing service is required for above Utility mailings.** If due to an extenuating circumstance this is not possible, the contractor may be allowed to deliver mail to the post office by noon the day following pick-up. In such cases, prior approval must be obtained from the City representative. Include a brief explanation with your bid of how your firm will ensure that this deadline is met.

If selected, Vendor must enter into Services Agreement (see attached) and provide and maintain insurance coverage naming the City as an additional insured under this Agreement.

**CITY OF FORT COLLINS
BID# 6003
MAILING SERVICES**

**BID SCHEDULE
Page 1 of 3**

WE HEREBY ENTER OUR BID FOR THE CITY OF FORT COLLINS' REQUIREMENTS FOR MAILING SERVICES DURING 2007, PER THE BID INVITATION AND ANY REFERENCED SPECIFICATIONS.

UTILITY MAILINGS:

(See "Scope of Services" for details and approximate quantities.)

UTILITY BILLS \$ _____ /M
FOLD BILL, INSERT BILL, RETURN ENVELOPE, NEWSLETTER, AND
(1) ADDITIONAL INSERT IN ENVELOPE, SEAL, BUNDLE, AND MAIL.

ELECTRONIC FUNDS TRANSFER CONFIRMATIONS \$ _____ /M
SAME AS ABOVE WITHOUT RETURN ENVELOPE, SEAL
BUNDLE, PRESORT, AND MAIL.

DELINQUENCY NOTICES \$ _____ /M
FOLD NOTICE, INSERT WITH REPLY ENVELOPE IN MAILING
ENVELOPE, SEAL, BUNDLE, PRESORT, AND MAIL.

2ND DELINQUENCY NOTICES (PINK) \$ _____ /M
FOLD NOTICE, INSERT IN MAILING ENVELOPE, SEAL, BUNDLE,
PRESORT AND MAIL.

FINAL UTILITY BILLS \$ _____ /M
FOLD BILL, INSERT WITH RETURN ENVELOPE IN MAILING
ENVELOPE, SEAL, BUNDLE, PRESORT, AND MAIL.

NEW CUSTOMER LETTERS \$ _____ /M
FOLD PERSONALIZED LETTER, INSERT LETTER AND UTILITY RATE
INSERT INTO MAILING ENVELOPE, SEAL, BUNDLE, PRESORT, AND MAIL.

OWNER NOTIFICATION LETTERS \$ _____ /M
FOLD LETTER, INSERT INTO MAILING ENVELOPE, SEAL, BUNDLE,
AND MAIL.

COURIER SERVICES FOR UTILITY MAILINGS
FROM PLATTE RIVER POWER AUTHORITY (PRPA) FACILITY AT \$ _____ /Trip
2000 E. HORSETOOTH, FORT COLLINS TO CONTRATOR FACILITY

FROM PRPA FACILITY TO UTILITY BILLING OFFICE AT \$ _____ /Trip
330 S. COLLEGE AVE., FORT COLLINS

UTILITY BILLING OFFICE TO CONTRACTOR FACILITY \$ _____ /Trip

**CITY OF FORT COLLINS
BID# 6003
MAILING SERVICES**

**BID SCHEDULE
Page 2 of 3**

WAREHOUSING

UTILITY MAILINGS COMPONENTS \$ _____/Pallet/Month

**ADDITIONAL UTILITY MAILINGS INSERTS
REQUIRING FOLDING**

\$ _____/M

NOT REQUIRING FOLDING

\$ _____/M

SALES TAX MAILINGS:

(See "Scope of Services" for details and approximate quantities.)

MONTHLY PAYMENT RETURNS

\$ _____/M

COLLATE AND INSERT (12) PERSONALIZED RETURNS WITH
(12) #9 REPLY ENVELOPES IN 9"x12" WINDOW MAILING ENVELOPE,
SEAL, SEQUENCE, AND MAIL.

QUARTERLY PAYMENT RETURNS

\$ _____/M

COLLATE AND INSERT (4) PERSONALIZED RETURNS WITH
(4) #9 REPLY ENVELOPES IN 9"x12" WINDOW MAILING ENVELOPE,
SEAL, SEQUENCE, AND MAIL.

ANNUAL PAYMENT RETURNS

\$ _____/M

INSERT (1) PERSONALIZED RETURN WITH (1) #9 REPLY ENVELOPE
IN 9"x12" WINDOW MAILING ENVELOPE, SEAL, SEQUENCE, AND MAIL.

POSSIBLE ADDITIONAL MAILINGS:

SELF MAILERS

8-1/2" X 3-1/2" TRI-FOLD BROCHURE. ADDRESS, TAB, PROCESS: \$ _____/M
SORT, AND MAIL.

ESTIMATED MAILING QUANTITY: 2,500 POSTAGE: \$ _____

8-1/2" X 5-1/2" SINGLE FOLD BROCHURE. ADDRESS, PROCESS: \$ _____/M
TAB, SORT, AND MAIL.

ESTIMATED MAILING QUANTITY: 40,000 POSTAGE: \$ _____

8-1/2" X 5-1/2" LETTER CARD. ADDRESS, SORT, PROCESS: \$ _____/M
AND MAIL.

ESTIMATED MAILING QUANTITY: 5,000 POSTAGE: \$ _____

**CITY OF FORT COLLINS
BID# 6003
MAILING SERVICES**

**BID SCHEDULE
Page 3 of 3**

6" X 9" LETTER CARD. ADDRESS, SORT,
AND MAIL.
ESTIMATED MAILING QUANTITY: 5,000

PROCESS: \$ _____/M
POSTAGE: \$ _____

LETTER MAILINGS

FOLD 8-1/2"x11" LETTER, INSERT INTO #10 ENVELOPE,
ADDRESS, SORT, AND MAIL.
ESTIMATED MAILING QUANTITY: 2000

PROCESS: \$ _____/M
POSTAGE: \$ _____

Attach brief explanation of how your firm will ensure that deadline is met when same-day mailing service is required.

Will City representative(s) be allowed to inspect your facility, if requested?

YES _____ NO _____

ENTERED BY:

FIRM NAME: _____
(Are you a Corporation, Partnership, DBA, LLC, or PC?)

SIGNATURE: _____

PRINT NAME: _____

TITLE: _____

ADDRESS _____

PHONE: _____ FAX: _____

E-MAIL: _____

SERVICES AGREEMENT

THIS AGREEMENT made and entered into the day and year set forth below by and between THE CITY OF FORT COLLINS, COLORADO, a Municipal Corporation, hereinafter referred to as the "City" and _____, hereinafter referred to as "Service Provider".

WITNESSETH:

In consideration of the mutual covenants and obligations herein expressed, it is agreed by and between the parties hereto as follows:

1. Scope of Services. The Service Provider agrees to provide services in accordance with the scope of services attached hereto as Exhibit "A", consisting of _____ () page and incorporated herein by this reference.

2. The Work Schedule. The services to be performed pursuant to this Agreement shall be performed in accordance with the Work Schedule attached hereto as Exhibit "B", consisting of _____ () page, and incorporated herein by this reference.

3. Contract Period. This Agreement shall commence _____, and shall continue in full force and effect until _____, 200_____, unless sooner terminated as herein provided. In addition, at the option of the City, the Agreement may be extended for additional one year periods not to exceed _____ () additional one year periods. Renewals and pricing changes shall be negotiated by and agreed to by both parties. The Denver Boulder Greeley CPIU published by the Colorado State Planning and Budget Office will be used as a guide. Written notice of renewal shall be provided to the Service Provider and mailed no later than ninety (90) days prior to contract end.

4. Delay. If either party is prevented in whole or in part from performing its obligations by unforeseeable causes beyond its reasonable control and without its fault or negligence, then the party so prevented shall be excused from whatever performance is prevented by such cause. To the extent that the performance is actually prevented, the Service Provider must provide written notice to the City of such condition within fifteen (15) days from the onset of such condition.

[Early Termination clause here as an option.

5. Early Termination by City/Notice. Notwithstanding the time periods contained herein, the City may terminate this Agreement at any time without cause by providing written notice of termination to the Service Provider. Such notice shall be delivered at least fifteen (15) days prior to the termination date contained in said notice unless otherwise agreed in writing by the parties. All notices provided under this Agreement shall be effective when mailed, postage prepaid and sent to the following addresses:

City:

Service Provider:

In the event of early termination by the City, the Service Provider shall be paid for services rendered to the date of termination, subject only to the satisfactory performance of the Service Provider's obligations under this Agreement. Such payment shall be the Service Provider's sole right and remedy for such termination.

6. Contract Sum. The City shall pay the Service provider for the performance of this Contract, subject to additions and deletions provided herein, per the attached Exhibit "C", consisting of () page(s), and incorporated herein by this reference.

7. City Representative. The City will designate, prior to commencement of the work, its representative who shall make, within the scope of his or her authority, all necessary and proper decisions with reference to the services provided under this agreement. All requests concerning this agreement shall be directed to the City Representative.

8. Independent Service provider. The services to be performed by Service Provider are those of an independent service provider and not of an employee of the City of Fort Collins. The City shall not be responsible for withholding any portion of Service Provider's compensation hereunder for the payment of FICA, Workmen's Compensation or other taxes or benefits or for any other purpose.

9. Personal Services. It is understood that the City enters into the Agreement based on the special abilities of the Service Provider and that this Agreement shall be considered as an agreement for personal services. Accordingly, the Service Provider shall neither assign any responsibilities nor delegate any duties arising under the Agreement without the prior written consent of the City.

10. Acceptance Not Waiver. The City's approval or acceptance of, or payment for any of the services shall not be construed to operate as a waiver of any rights or benefits provided to the City under this Agreement or cause of action arising out of performance of this Agreement.

11. Warranty.

- (a) Service Provider warrants that all work performed hereunder shall be performed with the highest degree of competence and care in accordance with accepted standards for work of a similar nature.
- (b) Unless otherwise provided in the Agreement, all materials and equipment incorporated into any work shall be new and, where not specified, of the most suitable grade of their respective kinds for their intended use, and all workmanship shall be acceptable to City.
- (c) Service Provider warrants all equipment, materials, labor and other work, provided under this Agreement, except City-furnished materials, equipment and labor, against defects and nonconformances in design, materials and workmanship/workwomanship for a period beginning with the start of the work and ending twelve (12) months from and after final acceptance under the Agreement, regardless whether the same were furnished or performed by Service Provider or by any of its subcontractors of any tier. Upon receipt of written notice from City of any such defect or nonconformances, the affected item or part thereof shall be redesigned, repaired or replaced by Service Provider in a manner and at a time acceptable to City.

12. Default. Each and every term and condition hereof shall be deemed to be a material element of this Agreement. In the event either party should fail or refuse to perform according to the terms of this agreement, such party may be declared in default thereof.

13. Remedies. In the event a party has been declared in default, such defaulting party shall be allowed a period of ten (10) days within which to cure said default. In the event the default remains uncorrected, the party declaring default may elect to (a) terminate the Agreement and seek

damages; (b) treat the Agreement as continuing and require specific performance; or (c) avail himself of any other remedy at law or equity. If the non-defaulting party commences legal or equitable actions against the defaulting party, the defaulting party shall be liable to the non-defaulting party for the non-defaulting party's reasonable attorney fees and costs incurred because of the default.

14. Binding Effect. This writing, together with the exhibits hereto, constitutes the entire agreement between the parties and shall be binding upon said parties, their officers, employees, agents and assigns and shall inure to the benefit of the respective survivors, heirs, personal representatives, successors and assigns of said parties.

15. Indemnity/Insurance. a. The Service Provider agrees to indemnify and save harmless the City, its officers, agents and employees against and from any and all actions, suits, claims, demands or liability of any character whatsoever brought or asserted for injuries to or death of any person or persons, or damages to property arising out of, result from or occurring in connection with the performance of any service hereunder.

b. The Service Provider shall take all necessary precautions in performing the work hereunder to prevent injury to persons and property.

c. Without limiting any of the Service Provider's obligations hereunder, the Service Provider shall provide and maintain insurance coverage naming the City as an additional insured under this Agreement of the type and with the limits specified within Exhibit , consisting of () pages[s], attached hereto and incorporated herein by this reference. The Service Provider before commencing services hereunder, shall deliver to the City's Director of Purchasing and Risk Management, P. O. Box 580 Fort Collins, Colorado 80522 one copy of a certificate evidencing the insurance coverage required from an insurance company acceptable to the City.

16. Entire Agreement. This Agreement, along with all Exhibits and other documents incorporated herein, shall constitute the entire Agreement of the parties. Covenants or representations not contained in this Agreement shall not be binding on the parties.

17. Law/Severability. The laws of the State of Colorado shall govern the construction interpretation, execution and enforcement of this Agreement. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Agreement.

18. Prohibition Against Employing Illegal Aliens. This paragraph shall apply to all Contractors whose performance of work under this Agreement does not involve the delivery of a specific end product other than reports that are merely incidental to the performance of said work. Pursuant to Section 8-17.5-101, C.R.S., *et. seq.*, Contractor represents and agrees that:

A. As of the date of this Agreement:

1. Contractor does not knowingly employ or contract with an illegal alien; and
2. Contractor has participated or attempted to participate in the basic pilot employment verification program created in Public Law 208, 104th Congress, as amended, and expanded in Public Law 156, 108th Congress, as amended, administered by the United States Department of Homeland Security (the "Basic Pilot Program") in order to verify that Contractor does not employ any illegal aliens.

B. Contractor shall not knowingly employ or contract with an illegal alien to perform works under this Agreement or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement.

C. Contractor shall continue to apply to participate in the Basic Pilot Program and shall in writing verify same every three (3) calendar months thereafter, until Contractor is accepted or the public contract for services has been completed, whichever is earlier. The requirements of this section shall not be required or effective if the Basic Pilot Program is discontinued.

D. Contractor is prohibited from using Basic Pilot Program procedures to undertake pre-employment screening of job applicants while this Agreement is being performed.

E. If Contractor obtains actual knowledge that a subcontractor performing work under this Agreement knowingly employs or contracts with an illegal alien, Contractor shall:

1. Notify such subcontractor and the City within three days that Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

2. Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to this section the subcontractor does not cease employing or contracting with the illegal alien; except that Contractor shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.
- F. Contractor shall comply with any reasonable request by the Colorado Department of Labor and Employment (the "Department") made in the course of an investigation that the Department undertakes or is undertaking pursuant to the authority established in Subsection 8-17.5-102 (5), C.R.S.
 - G. If Contractor violates any provision of this Agreement pertaining to the duties imposed by Subsection 8-17.5-102, C.R.S. the City may terminate this Agreement. If this Agreement is so terminated, Contractor shall be liable for actual and consequential damages to the City arising out of Contractor's violation of Subsection 8-17.5-102, C.R.S.
 - H. The City will notify the Office of the Secretary of State if Contractor violates this provision of this Agreement and the City terminates the Agreement for such breach.

CITY OF FORT COLLINS, COLORADO
a municipal corporation

By: _____
James B. O'Neill II, CPPO, FNIGP
Director of Purchasing and Risk Management

ATTEST:

City Clerk

APPROVED AS TO FORM:

Assistant City Attorney

Date: _____

By: _____

PRINT NAME

CORPORATE PRESIDENT OR VICE PRESIDENT

Date: _____
(Corporate Seal)

ATTEST:

CORPORATE SECRETARY

EXHIBIT B

INSURANCE REQUIREMENTS

1. The Service Provider will provide, from insurance companies acceptable to the City, the insurance coverage designated hereinafter and pay all costs. Before commencing work under this bid, the Service Provider shall furnish the City with certificates of insurance showing the type, amount, class of operations covered, effective dates and date of expiration of policies, and containing substantially the following statement:

"The insurance evidenced by this Certificate will not be cancelled or materially altered, except after ten (10) days written notice has been received by the City of Fort Collins."

In case of the breach of any provision of the Insurance Requirements, the City, at its option, may take out and maintain, at the expense of the Service Provider, such insurance as the City may deem proper and may deduct the cost of such insurance from any monies which may be due or become due the Service Provider under this Agreement. The City, its officers, agents and employees shall be named as additional insureds on the Service Provider's general liability and automobile liability insurance policies for any claims arising out of work performed under this Agreement.

2. Insurance coverages shall be as follows:

A. **Workers' Compensation & Employer's Liability.** The Service Provider shall maintain during the life of this Agreement for all of the Service Provider's employees engaged in work performed under this agreement:

1. Workers' Compensation insurance with statutory limits as required by Colorado law.
2. Employer's Liability insurance with limits of \$100,000 per accident, \$500,000 disease aggregate, and \$100,000 disease each employee.

B. **Commercial General & Vehicle Liability.** The Service Provider shall maintain during the life of this Agreement such commercial general liability and automobile liability insurance as will provide coverage for damage claims of personal injury, including accidental death, as well as for claims for property damage, which may arise directly or indirectly from the performance of work under this Agreement. Coverage for property damage shall be on a "broad form" basis. The amount of insurance for each coverage, Commercial General and Vehicle, shall not be less than \$500,000 combined single limits for bodily injury and property damage.

In the event any work is performed by a subcontractor, the Service Provider shall be responsible for any liability directly or indirectly arising out of the work performed under this Agreement by a subcontractor, which liability is not covered by the subcontractor's insurance.