

**County of Shenandoah  
Request for Proposal**

**Emergency Medical Services (EMS) Revenue Recovery**

**Request for Proposal RFP Number: 2016-001**

**Subject: Contractual services related to the collection of EMS revenue recovery**

**Issue Date: May 9, 2016**

**Closing Date: June 1, 2016**

**Proposal Submittal To:**

**Mr. Evan L. Vass  
Assistant County Administrator  
600 N. Main Street, Suite 102  
Woodstock, VA 22664**

**Questions pertaining to this RFP should be submitted to:**

**Mr. Evan L. Vass  
Assistant County Administrator  
600 N. Main Street, Suite 102  
Woodstock, VA 22664  
[evass@shenandoahcountyva.us](mailto:evass@shenandoahcountyva.us)  
(540) 459-6165**

**GENERAL INFORMATION**

1. Shenandoah County is soliciting proposals from qualified offerors (the "Contractors") to provide all services, software and licenses, supervision, labor, equipment, products and materials necessary to provide the County with a fully comprehensive and automated medical transport services billing and collection system hosted by the Contractor including technical and administrative services support, secure transmission and secure accessibility of data as needed by the County, in compliance with all federal, state and local laws and regulations.
2. The County provides fire and pre-hospital emergency medical services through both career and volunteer resources. The proposed Contract is intended to support the operations, functions and activities of the operational and management staff of the County in the initiation, use, analysis and maintenance of patient accounts for the purpose of billing for services. Bills and documentation shall be provided to the patient, responsible party and/or insurance provider.
3. Services shall meet the highest standards for accuracy and completeness, and services shall be the most economical and the most expeditious practicable. Services shall be provided efficiently and in a manner consistent with requirements of patients, responsible parties, insurance providers and the County. The Contractor shall perform all activities, and provide all services and deliverables under the general direction and guidance of the Department of Fire and Rescue. The Contractor shall provide a plan, including time of initiation of billing, for provision of services, which shall be described in the proposal, and shall change the plan, subject to approval of the County, throughout the term of the Contract, to conform to the requirements of the County, insurance providers and regulatory agencies, as necessary, to maintain the required quality of services. All services shall be performed in compliance with all applicable federal, state and local laws and regulations, including, but not limited to, the requirements of the Social Security Act, the Fair Debt Collection Act and the Health Insurance Portability and Accountability Act (HIPAA). The Contractor shall be

responsible for obtaining any necessary approvals for rates from insurance providers.

4. The Department of Fire and Rescue will serve as the liaison between the Contractor and the County, including the volunteer Fire and EMS agencies. Shenandoah County began billing for emergency medical services in 2012. The County provides one EMS billing tech who helps, manage, direct and monitor processes associated with the county's EMS billing program.

## **PROPOSED SCHEDULE OF CONTRACT AWARD**

### **PURPOSE**

The County request competitive negotiable proposals for professional ambulance billing and collection (revenue recovery) services.

### **BACKGROUND**

The region is a rural area which serves a citizen population base of approximately 42,000 residents. The Emergency Medical Service System of the County is comprised of combination fire and rescue system consisting of: volunteer rescue squads, fire departments, and a career department personnel and equipment with coordination by Shenandoah County Department of Fire and Rescue. There are approximately 3800 patients transported annually. Emergency Medical Services (herein referred to as EMS) are regulated by the Virginia Office of EMS (12 VAC 5-31), and in accordance with local codes.

### **SCOPE OF SERVICES**

The Contractor shall be responsible for providing and hosting a comprehensive billing and collection system in compliance with all requirements of Medicare, Medicaid, CHAMPUS, other governmental insurance programs and commercial insurance companies (collectively referred to as insurance providers).

Note: If the Contractor wishes to use alternative procedures or methods of service delivery and pricing which would result in more cost effective or otherwise advantageous provision of services, than those set out in this Scope, the Contractor should describe and identify those alternates in the proposal in addition to what has been requested. The County may consider alternate methods in the process of review of proposals and Contract negotiation. Any alternate methods of service delivery agreed upon by the County shall be detailed in the resulting Contract. Otherwise, all mandatory provisions of this RFP, including this scope, shall govern service delivery and performance by the Contractor.

#### **1. Medical Billing and Services**

- 1.1 **Preparation for Billing.** The Contractor shall obtain all approvals and reviews by insurance providers, including government entities, Medicare, Medicaid, Black Lung, and any other insurance companies that require a partnership along with obtaining the National Provider Identifier (NPI) designation, which are necessary for the purpose of establishing fee amounts. The Contractor shall advise the County of any measures, including those relating to arrangements with volunteer service providers, which are necessary prior to initiation of billing, and shall perform all necessary pre-billing functions, including the training described below. In addition to gaining approval the Contractor agrees to mutually sponsor numerous educational sessions, set by the County, for community education of the revenue recovery process.

## 1.2 Pre-hospital Patient Care Report (PPCR) Processing

The Contractor shall provide all labor, material and equipment, to gather all essential information for generating and processing all PPCR's relating to transport services. The Contractor shall provide appropriate training, by qualified instructors, including training materials, to ensure that all personnel designated by the County who are involved in the billing process, have the necessary skills, knowledge and abilities to prepare the PPCR accurately and in compliance with all requirements. The training shall be provided at mutually agreeable times, and on multiple dates, in order to accommodate all staff and volunteers. The County will provide facilities and office supplies for the training. All training shall be conducted at a location designated by the County. The Contractor shall coordinate training dates and times with the County. The Contractor shall be responsible for providing the County with the latest changes and modifications of the PPCR format and requirements, as required by the applicable insurance providers or as mandated by state and federal regulations and for providing training throughout the term of the resulting Contract, for new personnel, for personnel needing retraining, and in the event of changes in requirements, forms or procedures. The Contractor shall have software that is compatible with each localities software program. Shenandoah County currently utilizes Image Trend and its electronic patient care reporting system.

## 1.3 Proper Patient Care/Medical Necessity Documentation

The Contractor shall ensure to the greatest extent possible proper documentation of medical care rendered and medical necessity for all PPCR's. The Contractor, no less than quarterly, shall be responsible for providing written reports to the County on accuracy and efficiency, shall identify areas where the County can improve documentation, and shall make recommendations as to methods of improvement. The Contractor shall also ensure that all patients are provided necessary notices of their rights and responsibilities under applicable laws (e.g., Notice to Beneficiaries with respect to Medicare patients).

## 1.4 Verification and Missing Information Follow-up

The Contractor shall provide all labor, materials and equipment for verification of PPCR information and collection of any field data. The Contractor shall gather missing patient information by, but not limited to; searching the insurance provider's databases for previous patient information if and as permitted; searching the Contractor's billing database; contacting the medical facility; or by direct patient, family member or responsible party contact. When contact is made with the appropriate party, the Contractor shall verify and correct all patient information.

## 1.5 Data Entry and Claim Submission

The Contractor is solely responsible for all data entry functions. The Contractor data entry personnel shall perform these functions and shall provide for accessibility by the Localities to the database. Functions performed at the data entry level shall include:

- Automatic/demand claims processing with second request filing.
- Validation and editing of all data fields that are applicable to, but not limited to, the following insurance claim forms:
  - Anthem
  - Medicare
  - Medicaid
  - Tri-care
  - CMS forms for all commercial insurance carriers
  - Electronic Claims filing to the following:
    - Blue Cross and Blue Shield
    - Medicare

- Medicaid
- Southern Health
- Other applicable carriers including commercial insurance carriers
- Electronic Medicare and Medicaid remittance payment posting.

1.6 Customer Service

The Contractor shall designate trained, properly qualified customer service representatives who shall provide patient account information, at a minimum Monday through Friday 8:30 AM through 5:00 PM prevailing time, excluding all locality holidays. The Contractor shall assure that calls are answered within a reasonable timeframe, consistent with any specific Contract provisions. The Contractor shall provide either a local telephone number or a toll-free telephone number so that customers can contact the Contractor for questions/concerns.

1.7 Privacy; Accounts Receivable and Transaction Posting

During contract negotiations a mutually agreeable method will be established and will be incorporated in the resulting contract, for receiving and posting payments. Total payments will be provided to the County without withholding of the Contractor's fees or expenses. All data entry and posting of payments shall be accomplished by the Contractor. Any judicial process, legal documents, or inquiries other than those from patients or insurers are to be referred to the County.

- A. The Contractor, at a minimum, shall maintain the following information in an electronic format for inquiry into patient accounts. The Contractor shall take all actions necessary to provide for secure accessibility to its database, by authorized County personnel. The Contractor shall provide electronic media including all raw data and the following information available to the County by query:
1. The patient's account receivable report including:
    - User defined data range
    - Beginning and ending accounts receivable balance by summary
    - Charges
    - Payments by responsible parties
    - Adjustments
    - Net total
    - Incident number for received monies per transaction
  2. A revenue analysis report which shall provide current month and YTD collection information for each responsible party.
  3. A payment analysis report by responsible party which details reimbursement history by procedure and/or by patient account.
  4. An insurance follow-up written report by individual carrier for any outstanding and/or pending patient claims.
  5. The Contractor's database shall allow printing of all files in either alphabetic or numeric order.
  6. The Contractor's database shall allow printing of reports by query by designated employees through County operated personal computers connected to the Contractor's database system.

- B. The Contractor shall be responsible for posting to each patient account, payments, adjustments, refunds/credits and re-submission of insurance provider claims. The Contractor shall be required to correct all patient information when patient information is found to be incorrect. The Contractor shall provide secure electronic access to its database for the County's authorized personnel to access the data listed above, and the following patient information:

Patient account inquiry of all data entry, charges for services provider, accounts receivable postings, payments refunds/credits and any account adjustments, including, but not limited to the following:

- Ability to "print" the computer screen displaying patient information
- Ability to "line item" access all patient accounts, account histories, including, but not limited to, payments, refunds/credits, adjustments and re-submissions of provider claims
- Ability to attach incident number of the incident with the monies received on this account.

- C. Printed reports of the information detailed above shall be provided by the Contractor, upon County's request.

1.8 Rejection Follow-up

The Contractor shall be responsible for the follow-up on each claim rejected by an insurance provider. The Contractor shall be responsible for contacting insurance providers by telephone, mail or facsimile in order to resolve each rejected claim. The Contractor shall be responsible for furnishing insurance providers to the greatest extent possible with all requested patient information, medical information, and medical documentation including the re-submission of the rejected claim. The Contractor shall prepare and deliver to the County a written report for all rejected claims detailing the reason for rejection and shall provide documentation on each claim resubmitted, all on a weekly basis, or as otherwise required by the County. This written report shall have reference to the incident numbers of the claims in question.

1.9 Patient, Commercial, Entitlement Follow-up

The Contractor shall be responsible for regular follow-up on unpaid patient accounts older than thirty (30) days to ascertain the accuracy and availability of insurance information. The Contractor shall generate and mail a statement of account to patients, responsible parties and/or insurance carriers no later than thirty (30) calendar days after the original date of service. The Contractor shall send a pre-collection notice in accordance with a County-approved sample notice, to any patients with accounts unpaid for a period in excess of sixty days. The Contractor shall send a final written notice for collection in accordance with a County-approved sample notice, to all patients with accounts unpaid for a period in excess of ninety days. In all cases the Contractor shall be responsible for preparing and mailing all invoices and overdue notices. All notices, invoices and letters must be in a form approved by the County and must comply with the provisions of the Fair Debt Collection Act, regulations relating to Medicare and Medicaid and any other applicable laws and regulations. Any collection efforts undertaken by the Contractor must be conducted in compliance with all applicable laws and regulations. The Contractor shall not harass or threaten persons during the collection process and will assure that only reasonable methods are used in the collection process. The County may terminate the Contract if the County determines that improper collection methods have been used, or that treatment of debtors is inappropriate.

#### 1.10 Billing Process

The Contractor shall provide a secure automated electronic billing system. The software system shall be divided into three segments for discussion and clarification: the Front-End Billing, the Middle Billing and the Back-End Billing Process. Descriptions of the processes contained in this RFP do not supersede any regulatory requirements in effect at the time of billing, and shall be modified as necessary, with notice to the County, to maintain compliance.

- A. The Contractor shall provide all responsible parties with an automatic or on-demand invoice. Invoice processing shall include four (4) billing cycles. The billing cycle shall include two (2) patient invoices [one {1} at ten working days, one {1} at thirty calendar days from the date of service], one (1) collection/past due letter sent at sixty (60) calendar days after the date of service, and one (1) final notice for collection sent at ninety (90) calendar days after the date of service.
- B. The County must be able to query all patient accounts by responsible parties, address, patient's social security number and the patient's insurance information. Both the Contractor and the County shall have the ability to update/correct patient information to the extent permitted by law.
- C. Claims shall be filed with all insurance providers for all emergency transports. The patient will be responsible for amounts not covered by insurance as allowed by applicable law. All patients with insurance will be notified that a claim has been filed. Subsequent bills shall be mailed to the patient advising of the amount paid by insurance and requesting payment of any co-pay, deductible or balance as applicable. Patients without insurance will be billed directly for the total amount due for services rendered. Persons who are residents of the County will be treated under a compassionate billing policy. "Compassionate billing" should be interpreted to mean those residents of Shenandoah County who do not have medical insurance, Medicare or Medicaid coverage will have applicable fees associated with emergency medical transport and services waived.
- D. The Contractor shall describe in its proposal the procedure for handling complaints and inquiries from patients regarding the billing process, and for collection of delinquent accounts. Account settlements shall be negotiated only after authorization from a designated County representative. Any requests to write-off or adjust a bill must be forwarded to designated County representative. If a patient indicates they are receiving financial assistance (e.g., aid to dependent children, unemployment compensation), the Contractor shall mail a "Release of Information" form to the patient for signature so that necessary information can be obtained to assist in the indigency determination. Indigence and ability to pay will be determined by the County on a case-by-case basis according to pre-established criteria. The Contractor shall not be authorized to write-off or adjust patient accounts. During the pendency of the County's determination of inability to pay, no further billing or collection activity shall be pursued.
- E. The Contractor shall make arrangements with the County's software vendor for exchange of all data, and shall make data available in either secure electronic or paper form as required by the County.

#### 1.11 Front-End Billing Process

The County will provide to the Contractor completed PPCR's with all available medical documentation and patient information at the time of patient care or as soon as possible thereafter. The completed copy of the PPCR will be delivered to the Contractor electronically, by paper, or as determined necessary by the County. The County shall be responsible for all pre-billing review, verification for proper documentation, insurance information, appropriate patient signatures and data entry from the PPCR. The Contractor-provided collection and billing software system shall provide

any of the aforementioned items that are missing, if available in the database. The Contractor shall remain responsible and is required to perform all required research and incorporate all required information into the PPCR to the greatest extent possible. The Contractor shall provide the required information from the PPCR to the appropriate parties in both electronic and printed media as required.

#### 1.12 Middle Billing Process

The Contractor shall receive and keep on file an Explanation of Benefits (EOB) and all documents associated with the billing process. This includes documentation of all insurance providers. The Contractor shall immediately post payments to the appropriate patient accounts, updating insurance information on individual patient accounts, insurance claim processing and general patient account notations. The Contractor shall respond to all inquiries and resolve responsible party denials and rejections. The Contractor shall contact the appropriate responsible party for the resolution, correction and re-submission of any patient billing. If the bill can be handled verbally, the billing record shall be amended and the bill submitted for payment to the responsible party. If the responsible party requires re-submission of the billing, the Contractor shall amend the billing information and resubmit the billing to the appropriate responsible party for processing. In the event the billing is denied for any reason, except failure to bill in a timely fashion, the bill will become the financial responsibility of the patient or responsible party and billed accordingly. If failure to bill in a timely manner is caused by the Contractor, and causes a claim to be rejected by an insurance provider, the Contractor shall pay the amount of the bill and any administrative costs resulting from the patient's account. The Contractor shall be responsible for all responsible party mail and correspondence returned or rejected by the postal services. The Contractor shall research, correct, and resubmit all mail and correspondence to the proper responsible party in the event of returned or rejected mailings. The Contractor shall also provide all required office supplies and postage.

#### 1.13 Back-End Billing Process

The Contractor shall be responsible for mailing all written notices to the responsible parties in accordance with the procedures and requirements set forth above. The Contractor shall contact the responsible parties at minimum intervals of thirty (30), sixty (60) and ninety (90) calendar days after the date of provision of services. The Contractor shall provide reports to the County, of all accounts remaining unpaid sorted by length of delinquency, upon request. The County will review all delinquencies and determine which billings will be the subject of further collection action. The Contractor shall provide all information required by the County for collection, including responsible party information, and shall cooperate with the County as necessary in the collection process.

The Contractor should administer, in coordination with the County, if applicable, a subscription program being offered to the public to the extent necessary to integrate the subscription program with the Contractor's comprehensive billing and collection system. The contract should also assist in the development of collection policies and procedures.

Each Contractor must submit a fee with their proposal with the Contractor's fee as a percentage of funds collected for administrating the subscription program.

#### 1.14 Patient Refunds

The Contractor shall prepare and deliver to the County a report of all billings which reflect an overpayment, at intervals prescribed by the County. During the contract negotiations a mutually agreeable method will be established and will be incorporated into the resulting contract, for processing refunds. The Contractor shall not knowingly bill parties for an amount they are not legally obligated to pay.

## **2.0 Statistical Reporting**

The Contractor shall provide secure access to statistical reports by methods prescribed by the County. The Contractor shall provide the County access to the Contractor's billing information system at a minimum of Monday through Friday, 8:30 AM through 5:00 PM prevailing local time. The statistical reports shall include raw data and the following:

- Incidents by type of call
- Incidents by chief complaint
- Incidents by response unit
- Incidents by zip code
- Total incidents by city and state of residence
- Response by age group
- Response by day of the week
- Response by transport type
- Response by level of care
- Response by pulse on arrival at a destination
- Cardiac arrest resuscitation
- Average en-route time by response unit
- Average time on a scene by response unit
- Mutual aid responses by the agencies to other localities
- Number of responses
- Average en-route time
- Average arrival time
- Average on scene time
- Average committed time
- Average time at hospital
- By technician, procedures IV attempts and failures
- By technician, drugs administered
- By technician, procedures performed, attempts and starts
- Specialized (CUSTOM) reports upon request in a timely fashion
- Complete responsible party billing information

## **3.0 Contractor's Fees - Fixed Percentages Rate of Services**

All Offerors, as part of their Proposal, will specify a fixed percentage rate of revenues received by the County as a direct result of the Contractor's services for the purpose of determining the Contractor's fees. The fee will be paid on a monthly basis and will be based on all net sums (gross receipts less refunds) received from all responsible parties and insurance providers that are forwarded to the County for deposit. Accounts turned over to the County for additional collection efforts as deemed appropriate will not be included in determining the Contractor's fee.

## **PROPOSAL PREPARATION**

Proposals shall address the items included in the Scope of Services and the Criteria for Proposal Evaluation. Proposals should be prepared simply and economically, providing straightforward and concise responses to requests for information and descriptions of qualifications and capabilities. Each copy of the proposal should be bound with all documentation in a single volume where practical.

Proposals shall be signed by an authorized representative of the Contractor. All information requested should be submitted. Failure to submit all information requested may result in the County requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and or not subject to negotiation.

Contractors should organize their proposals using the format described below and provide at least six (6) copies:

1. Title Sheet

Furnish the information requested on the **REQUEST FOR PROPOSALS TITLE PAGES** of this solicitation and include them as the first two pages of your proposal response. The name stated on the Title Sheet must be the full legal name of the Contractor and the address must be that of the office which will have the responsibility for the services provided. **Contractors shall specify in the introductory cover sheet the section(s) containing trade secrets or proprietary information.**

2. Company Profile

The profile shall include the address of the Contractor's headquarters; location of the office that will manage the Shenandoah County contract; size; information relating to financial stability and organizational structure; years in business; number of full time employees, and other information the Contractor deems relevant to the ability of the Contractor to provide the needed services.

3. Project Approach/Methodology

Provide a narrative fully and completely describing the billing system proposed, the approach and methodology proposed by the Contractor in providing these services, including "start-up" tasks preparatory to billing. Detailed process flow charts fully outlining all steps, milestones, approval points, meetings, etc. are preferable. Also, provide a narrative demonstrating the Contractor's full understanding of all the services and tasks required to successfully administer this Contract. The proposal shall include the following:

- A. Standards for customer service, including timing of telephone and email responses to inquiries;
- B. Proposed processes for receipt, transmission and deposit of patient payments;
- C. Methods of securing data and for providing secure access to data including patient information and statistical reports;
- D. Proposed process for making refunds;
- E. Schedule of all tasks required to initiate billing;
- F. Any software proposed for use in the billing system, including software proposed for County use, and any associated licensing and maintenance agreements.

4. Experience of the Contractor and the Project Team

Include a brief statement of the Contractor's experience in providing the services described in the Scope of Services. If subcontractors and special consultants will be used, they should be identified and their qualifications included in the proposal response. Include experience of key individuals assigned to this project, emphasizing their experience in working with similar projects and local governments. List key professional staff to be assigned work under the contract and describe their experience as project team members. Include only experience directly related to assigned duties under the proposed project. List team members' names, titles, project title, brief project description, year completed and name, address, and phone number of the client. Include resumes of key personnel and subcontractors.

5. References

Provide three references for which similar services have been provided and dates when the service was provided. The references should be for contracts similar in size and scope to each Locality, these references

will preferably be located in the Commonwealth of Virginia. Include client name, address, telephone number, description of type of services performed, and person the County may contact. The County may not review the references of all Contractors. Typically only references of the firms that are "short listed" are contacted. The County reserves the right to contact references other than, and/or in addition to, those furnished by the Contractor.

6. Cost of Services

Provide a complete, detailed and itemized description of all the fees, charges and costs associated with the services to be provided, including the cost of all license and maintenance fees.

7. Insurance

The Contractor shall provide details as to all insurance coverage relevant to this project and must meet the minimum requirements of those outlined in the proposal information and requirements found in appendix A. The Contractor shall be required to maintain in force such insurance, in amounts and with coverage acceptable to the County, as will protect itself and the County from claims which may arise out of or result from the execution of the work, whether such execution be by himself, his employees, agents, subcontractors or by anyone for whose acts any of them may be liable. This coverage should include, at a minimum, Worker's Compensation & Employers' Liability, General Liability (including premises/operations, independent contractors, products and completed operations, contractual liability and personal injury liability) and Automobile Liability. All insurance shall be provided by companies authorized to conduct business in the Commonwealth. The Contractor shall furnish the County with an original Certificate of Insurance upon request. The Certificate shall name the County as additional insured. The Contractor shall notify the County at least 30 days prior to policy cancellation, non-renewal or reduction of coverage.

8. Other Information

8.1 Include other relevant information the Contractor deems necessary or relevant to providing the services needed to successfully complete the Scope of Services or which are relevant to its selection.

8.2 Based on the information provided in this Request for Proposals, the Contractor shall identify what will be expected from the County over and above general assistance.

9. Oral Presentation

Contractors who submit a proposal in response to the RFP may be required to give an oral presentation of their proposal to the County. This provides an opportunity for the Contractor to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. The County will schedule the time and location of these presentations if needed. Oral presentations are an option of the County and may or may not be conducted.

10. Submission

Proposals should be submitted to:

Evan L. Vass  
Assistant County Administrator  
Shenandoah County  
600 North Main, Suite 102  
Woodstock VA 22664  
ATTN: EMS REVENUE RECOVERY

## CRITERIA FOR PROPOSAL EVALUATION

Criteria to be utilized in evaluating proposals are based on the following 100 point scale:

1. Qualifications of the Contractor. This will include the overall qualifications, experience and expertise of the firm in initiating, managing and operating a billing system for emergency medical transport services in compliance with all applicable requirements. Particular attention will be directed to the Contractor's record with respect to compliance with all applicable state and federal laws and regulations, to the Contractor's demonstration of ability to provide "start-up" services and to maintain compliance of the billing system, and to the responses of any parties provided as references. (25 points)
2. Qualifications of staff to be assigned to the Shenandoah County project. (25 points)
3. Approach and methodology and understanding of the Contractor, of the County's' service needs, including quality assurance processes in place or proposed to ensure that complete, comprehensive and accurate services and reports are provided to the County. (25 points)
4. Cost/fees affiliated with contract. (25 points)

## METHOD OF AWARD

Following evaluation of the written proposals as submitted, selection shall be made of two or more Contractors deemed to be fully qualified and best suited among those submitting proposals, on the basis of the factors involved in the Request for Proposals. Negotiations shall then be conducted with each of the Contractors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Contractor so selected, the County shall select the Contractor which, in its opinion, has made the best proposal, and shall award the contract to that Contractor.

Ten (10) days prior to the actual award of the contract, the County will issue a NOTICE OF INTENT TO AWARD with a bid tally to all Contractors.

## CONTRACT RENEWAL AND TERMINATION

1. The Contractor to whom the contract is awarded shall, within 15 days after prescribed documents are presented for signature, execute and deliver to the County the Contract Documents and any other forms such as insurance or bonds required by the Request for Proposal. Otherwise, the Localities may award the next highest rated Contractor.
2. The initial term of this contract shall be for two years from date of contract award, with the option to renew for four additional one year periods, upon mutual consent of the parties to the contract. **Prices shall remain firm for the initial term of the contract.**
  - A. For future contract periods, price increases shall be limited to the percentage increase in the Consumer Price Index, Urban Wage Earners and Clerical Workers (CPI-W), U. S. City Average. All items for the most recently published twelve months as published by the U. S. Department of Labor, Bureau of Labor Statistics. The base price to which any adjustments will be made shall be the prices in effect during the contract term prior to the proposed term.
  - B. In addition to the termination rights of the County described below, the Contractor may terminate the resulting Contract, within 180 days written notice to each County.

The County will:

- Provide the Contractor all information in possession of the County which is relevant and relates to the County' requirements for the project.

- Designate a person(s) to act as the County representative with respect to the work to be performed under this Contract. Such person(s) will have the authority to transmit instructions, receive information, interpret and define the County's policies and decisions.
- C. If funds are not appropriated for the resultant contract for any fiscal year, the contract shall terminate automatically, without prior notice, after the last day for which funds were appropriated. Contract termination pursuant to this section shall not be considered contract default, and the County shall not be liable for future payments or for cancellation or termination charges.

## GENERAL TERMS AND CONDITIONS:

The County's proposal information and requirements are hereby incorporated as Appendix A. Where any conflict exists between the general terms and conditions of the request for proposals (RFP) and the proposal information and requirements the latter shall be considered to have preeminence.

### 1. Independent Contractor

The Contractor is an independent contractor and nothing contained in the CONTRACT shall constitute or designate the Contractor or any of its agents or employees as employees of the County.

### 2. Rejection and Award of Proposals

The County reserves the right to accept or reject any or all proposals, to waive informalities, and to reissue any Request for Proposals. A Notice of Contract Award for this solicitation shall be posted on a bulletin board inside the Administration building for a period of at least 10 calendar days. Any Contract resulting from this Request for Proposal shall not be exclusive to the successful Contractor unless so stated in the Request for Proposals. The County reserves the right to contract with firms not party to the resultant Contract for similar work if it determines this to be in its best interest. If this is a cooperative procurement, each entity referenced will award a contract in accordance with its respective independent procurement policies and procedures and as it deems will best serve its interests.

### 3. Withdrawal of Proposals

- 3.1 A Contractor may withdraw its proposal prior to the deadline for submission upon written request and presentation of proper identification.
- 3.2 By submitting a proposal response, the Contractor agrees that the proposal response will not be withdrawn for a period of 90 days following the due date for proposal responses.

### 4. Contractor Registration/County Licensure

- 4.1 If required in order to perform any of the work in this Request, the Bidder certifies that the Bidder has the appropriate License or Certificate and classification(s) required to perform the work included in the scope of the bid documents, prior to submitting the bid, in accordance with Title 54.1, Chapter 11 of the Code of Virginia and in accordance with the laws, rules and regulations of the Commonwealth of Virginia, Department for Professional and Occupational Regulation, Virginia Board for Contractors in granting the License or Certificate and classifications.
- 4.2 Foreign corporations transacting business in Virginia are required to have a Certificate of Authority from the State Corporation Commission prior to signing any contract with the County.

### 5. Contract Termination

- 5.1 Unless specified otherwise, any resultant contract may be terminated by the County, in whole or in part, whenever the County determines that such a termination is in its best interests. Any such

termination shall become effective on the date stated in a written notice of termination mailed to the Contractor as provided in the Notification paragraph below. The notice of termination shall state the extent to which performance shall be terminated. The Contractor shall be paid for all goods delivered or services successfully completed prior to the termination date.

- 5.2 If funds are not appropriated for this contract for the County's fiscal year, the contract shall terminate automatically, without prior notice, after the last day for which funds were appropriated. Contract termination pursuant to this section shall not be considered a contract default, and the County shall not be liable for future payments or for cancellation or termination charges.

6. Ownership of Documents

- 6.1 All finished or unfinished information or materials, documents, data, studies, surveys, drawings, maps, models, photographs, and reports or other materials prepared by or for the Contractor under any resultant contract shall, at the option of the County, shall become the County's property and shall be delivered to and remain the property of the County upon completion of the work or termination of the contract. The County shall have the right to use and reproduce the data and reports submitted hereunder, without additional compensation to the Contractor.
- 6.2 Any documents or other materials provided to the Contractor by the County shall be returned to the County upon delivery of the final products and/or services. Any art work, negatives, proofs, or other materials produced by the Contractor in order to supply the products or services contracted for shall become the property of the County and shall be sent to the County upon delivery of the final products and/or services unless otherwise requested by the County. Failure to deliver the art work, negatives, proofs, or materials shall be cause for withholding any payments due.

7. Licenses and Permits

The Contractor shall secure and pay for all permits, governmental fees and licenses necessary for the proper execution and completion of the work which are legally required prior to and during the work, including software licenses or other intellectual property permissions, unless otherwise specified by the County.

8. Royalty and License Fees and Copyright, Trademark and Patent Protection

- 8.1 In submitting its proposal response, the Contractor certifies that there has been no violation of copyrights or patent rights in manufacturing, producing, or selling the commodities or services to be ordered as a result of this Request.
- 8.2 Unless specified otherwise in the CONTRACT, the Contractor shall pay all royalty and license fees relating to the items covered by the contract.
- 8.3 In the event any third party shall claim that the manufacture, use and sales of these goods offered hereby constitutes an infringement of any copyright, trademark, or patent, the Contractor shall indemnify and hold harmless the County from any cost, expense, damage or loss incurred in any manner by the County on account of such alleged infringement.

9. Taxes

The County is exempt from Federal Excise and State Sales and Use Tax on all tangible personal property purchased or leased by it for its use or consumption. The Contractor shall pay all County, City, State and Federal taxes required by law enacted at the time bids are received and resulting from the work or traceable thereto, under whatever name levied. Said taxes shall not be added to the contract price between the County and the Contractor, as the taxes shall be an obligation of the Contractor and not of the County, and the Contractor shall hold the County harmless for same. Exemption certification will be supplied upon request.

10. Acceptance of Goods/Services

Goods/services delivered shall remain the property of the Contractor until a physical inspection or actual usage of the goods/services is made and thereafter accepted to the satisfaction of the County. The goods/services must comply with the specifications and terms and conditions of the Request and be of the highest quality. In the event the goods/services supplied to the County are found to be defective or not to conform to specifications, the County reserves the right to cancel the CONTRACT upon written notice to the Contractor and return products to Contractor at the Contractor's expense.

11. Contract Changes

Any changes to the CONTRACT must be approved through issuance of a written contract addendum or change order. The County will not assume responsibility for the cost of any changes made without issuance of a written contract addendum or change order.

12. Payment for Services

Payments to the Contractor shall be made within 30 days after receipt of an approved invoice, with invoices submitted no more often than monthly, unless other payment and/or billing terms are specified in the CONTRACT. Backup documentation for each invoice shall be provided in detail satisfactory to the County. The Contractor's records and documentation supporting such invoices shall be made available to the County upon reasonable request. The Contractor agrees to retain all records, documents and support materials relevant to the CONTRACT for a period of five years following final payment.

13. Damage to Property

The Contractor shall be responsible for damages to property caused directly or indirectly by its actions or omissions in performing its work under the CONTRACT. The Contractor shall repair to proper working order or replace, to the County' satisfaction, any property damaged directly or indirectly by its actions or omissions.

14. Compliance with All Requirements

The Contractor shall comply with all applicable federal, state and local laws and regulations. The Contractor shall give notice as required and comply with all laws, ordinances, rules, regulations, and lawful orders of any entity having authority over the performance of the work.

15. Legal Proceedings

Any legal proceedings arising out of or related to this agreement shall be filed by the parties in the courts of Shenandoah County General District Court or Shenandoah County Circuit Court.

16. Additional Services

The County may add to the Scope of Services or make changes in the Scope of Services any services of a similar nature to those specified in the Scope of Services of this Request for Proposals as mutually agreed to at a price mutually agreed upon.

17. Subcontracting and Assignment of Work

The Contractor shall not subcontract or assign the CONTRACT, in whole or in part, other than that specifically stated in the CONTRACT, without the express written consent of the County. A description of any work the Contractor proposes to subcontract shall be submitted to the County for review and approval along with the name and address of the individual, firm, or corporation that is the proposed subcontractor. This submittal shall also include a list of the key personnel that the subcontractor will assign to the project. All work performed by any subcontractor shall be coordinated by the Contractor and the Contractor will be responsible to the County for all work performed by any subcontractor or special consultant.

18. Notification

Any notice required by the contract shall be effective if given by registered mail, return receipt requested, to the Contractor in the name and at the address given in its proposal submission; provided that change of address shall be effective if given in accordance with this paragraph. Unless otherwise specified, any individual notices shall be given to that locality:

Shenandoah County Department of Fire & Rescue: Fire Chief, 600 North Main, Suite 109 Woodstock VA 22664

The Contractor agrees to notify the County immediately of any change of legal status or of address. Any notice provided in accordance with this paragraph shall be deemed to have been completed five calendar days after the date of mailing.

19. Severability

Each paragraph and provision of the resultant contract will be severable from the entire agreement and if any provision is declared invalid, the remaining provisions shall remain in effect.

20. Nondiscrimination and Drug-Free Workplace

If the resultant CONTRACT exceeds \$10,000, during the performance of the CONTRACT, the Contractor agrees as follows:

- 20.1 The Contractor 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 the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
- 20.2 The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
- 20.3 Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.
- 20.4 The Contractor agrees to (i) provide a drug-free workplace for the Contractor's 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 the Contractor's 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 behalf of the Contractor that the Contractor maintains 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 a Contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana during the performance of the contract.
- 20.5 The Contractor will include the provisions of the foregoing paragraphs in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

21. Payments to Contractors

In accordance with Virginia Code Section 2.2-4301, the Contractor agrees that:

21.1 Should any subcontractor be employed by the Contractor for the provision of any goods or services under this contract, the Contractor agrees to the following:

(a) The Contractor shall, within seven days after receipt of any payments from the County pursuant to this contract, either:

(1) Pay the subcontractor for the proportionate share of the total payment received from the County attributable to the goods or services provided by the subcontractor; or

(2) Notify the County, as applicable, and the subcontractor, in writing, of the intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment. Written notice to the County shall be given to:

Shenandoah County Department of Fire & Rescue: Fire Chief, 600 North Main, Suite 109, Suite 109 Woodstock VA 22664

(b) The Contractor shall pay interest to the subcontractor, at the rate of one percent per month on all amounts owed to the subcontractor that remain unpaid after seven days following receipt of payment from the County for goods or services provided under this contract, except for amounts withheld under subparagraph immediately above.

(c) The Contractor 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.

(d) The Contractor's obligation to pay an interest charge to a subcontractor shall not be an obligation of the County.

(e) No contract modification shall be allowed for the purpose of providing reimbursement for these interest charges. No cost reimbursement claim shall include any amount for reimbursement of these interest charges.

22. Contractual Claims

Contractual claims, whether for money or other relief, shall be submitted in writing no later than 60 days after final payment; however, written notice of the Contractor's intention to file such claim shall have been given at the time of the occurrence or beginning of the work upon which the claim is based. Any notice or claim shall be delivered to:

Shenandoah County: County Administrator, 600 North Main, Suite 102, Woodstock VA 22664

and shall include a description of the factual basis for the claim and a statement of the amounts claimed or other relief requested. The County shall render a decision on the claim and shall notify the Contractor within 30 days of receipt of the claim. The Contractor may appeal the decision to the Governing Body by providing written notice to the County Administrator, within 15 days of the date of the decision. The Governing Body shall render a decision on the claim within 60 days of the date of receipt of the appeal notice and such decision shall be final unless the Contractor appeals the decision in accordance with the Virginia Public Procurement Act. Invoices for all services or goods provided by the Contractor shall be delivered to the County no later than 30 days following the conclusion of the work or delivery of the goods. Any claim arising out of this request for proposal or any contract awarded pursuant thereto, shall be heard in the General District or Circuit Court of Shenandoah County, Virginia.

23. Ethics in Public Contracting

- 23.1 The provisions contained in Virginia Code Sections 2.2-4367 through 2.2-437, the Virginia Public Procurement Act, shall be applicable to all contracts solicited or entered into by the County. A copy of these provisions may be obtained from the Purchasing Officer upon request.
- 23.2 The provisions of this article supplement, but do not supersede, other provisions of law including, but not limited to, the State and Local Government Conflict of Interests Act (Title 2.2, Chapter 31 of the Virginia Code), the Virginia Governmental Frauds Act (Title 18.2, Chapter 12, Article 1.1 of the Virginia Code) and prohibitions against bribery and related offenses (Title 18.2, Chapter 10, Articles 2 and 3 of the Virginia Code). The provisions apply notwithstanding the fact that the conduct described may not constitute a violation of the Virginia Conflict of Interests Act.

24. Audit

- 24.1 The Contractor shall maintain books, records and documents of all costs and data in support of the services provided under the resultant contract for a period of not less than three years after the effective date of final payment or contract termination. During this three year term, the County, or its authorized representative, shall have unlimited access to, and the right to audit, the books, records and documents of the Contractor during the Contractor's normal working hours.
- 24.2 There shall be no fees or costs charged to the County by the Contractor for any such audit activities.
- 24.3 The Contractor shall include the audit provisions of this section in all subcontracts and contracts of any entity providing goods or services pursuant to this contract so as to guarantee the County's right to audit any person or entity performing work pursuant to the contract, all at no additional cost to the County. Should the Contractor fail to ensure the County's rights under this section, the Contractor shall be liable to the County for all reasonable costs and expenses the County may incur to obtain an audit or inspection of the records which would have otherwise been available under the provisions of this section.

25. Precedence of Documents

The precedence of documents shall be as follows: the CONTRACT, the Request for Proposals and the Contractor's response to the Request for Proposals.

26. Indemnification

To the fullest extent permitted by law, the Contractor, for itself, heirs, representatives, successors and assigns agrees to save, defend, keep harmless and indemnify the County and all of its officials, agents and employees from and against any and all claims, loss, damage, injury, costs (including court costs and attorney's fees), charges, liability or exposure, however caused, resulting from, arising out of or in any way connected with the Contractor's performance (or nonperformance) of the agreement terms or its obligations under any resultant agreement.

27. Financial Statements

- 27.1 Any entity responding to this solicitation, and the vendor or contractor chosen as a result of this solicitation, by submission of a response to this solicitation, agrees to provide the County, within 10 calendar days of the County's request, a copy of its most recent audited financial statement(s) and those of any of its parent companies and/or subsidiaries having any material influence on the goods/services provided, or to be provided, under the resultant contract with the County. The financial statement(s) shall be accompanied by a letter signed by, as applicable to the type of business, a

corporate officer, partner, or owner, stating that the accompanying financial statement(s) is complete and is the most recent audited financial statement(s) available.

27.2 The financial statement(s) shall be provided at no charge to the County, and the County shall be under no obligation to return the financial statement(s).

27.3 The vendor or contractor chosen as a result of this solicitation shall require this same provision to be included in the contracts of all subcontractors and any other entities providing any services related to the County's contract, so as to guarantee the County's rights to obtain financial statements. Should the vendor or contractor fail to ensure the County's rights under this section, the vendor or contractor shall be liable to the County for all reasonable costs and expenses the County may incur in obtaining financial statements which would have otherwise been available under the provisions of this section.

28. Guarantees and Warranties

28.1 The Contractor shall, through itself and/or the manufacturer, provide the County with a warranty on all products provided by the Contractor. The warranty shall be for a period of at least one-year, or the manufacturer's standard warranty, whichever is longer.

28.2 The warranty shall include all parts, labor, transportation, and any other costs (except general supply items) necessary to keep the product in good operating condition.

28.3 The cost of this one-year warranty shall be included in the price quoted.

28.4 If seasonal limitations prevent performance of any required testing of the product, the warranty period for such equipment shall begin after the tests have been successfully performed.

## SHENANDOAH COUNTY, VIRGINIA

## PROPOSAL INFORMATION AND REQUIREMENTS

1. General:

- a. Subject to the conditions, specifications, and instructions below, proposals will be received at the County's Administration Offices, 600 North Main Street, Suite 102, Woodstock, Virginia 22664 until the time and date specified in the Request for Proposal.
- b. Offerors should respond to separate Requests for Proposals separately.
- c. The terms of this document shall form a portion of any contract between the County and the successful offeror, whether or not these terms are expressly incorporated into the contract form.

2. Contents of Proposals:

- a. Unless the specifications expressly provide otherwise, where a brand or trade name appears in the specifications, it is understood that the brand or trade name referred to, or its approved equal, shall be furnished. If, however, the bidder proposes similar but not identical items, he must furnish full particulars to the County for review and to assure equality of items. If no mention is made of any exceptions, it is assumed that he is bidding on the article mentioned and not an approved equal, and he will be required to deliver the exact article specified.
- b. Offeror shall submit with the proposal descriptive literature of the commodities, equipment, materials, supplies or services which he proposes to furnish, if such articles are other than the exact item specified.
- c. Samples of items, if requested, shall be furnished by the offeror without charge. Upon request, the samples will be returned at the offeror's expense; otherwise, samples may be destroyed or consumed.
- d. Time of proposed delivery should be stated in number of calendar days. General terms such as "stock," "immediately," and "as soon as possible," may be cause for rejection. Unless otherwise specified, quote earliest delivery date as it may be considered a factor in making award.
- e. The proposal, and any other documents required, shall be enclosed in a sealed opaque envelope.

- f. Unless the Request for Proposal concerns professional services, the proposal shall state the offeror's price, and the County will consider price in ranking the proposals.

3. **Offeror's Representations:**

- a. Each offeror, by submitting a proposal in response to this request for proposals, represents that the offeror has read and understands the contract specifications and has familiarized himself with all federal, state and local laws, ordinances, rules and regulations that in any manner may affect the cost, progress or performance of the work.
- b. The failure or omission of any offeror to receive or examine any form, instrument, addendum or other documents, or to acquaint himself with conditions existing at the site, shall in no way relieve any offeror from any obligations with respect to his proposal or to the contract.

4. **Contractor's Registration:**

- a. Contractors are referred to Chapter 11 of Title 54.1 of the Code of Virginia, concerning residency issues, licensing issues, and evidence of licensure. Contractors shall submit proper evidence of their registration.

5. **Addenda:**

- a. If any party contemplating the submission of a proposal on this request for proposal is in doubt as to the true meaning of any part of the plans, specifications or other documents, he should submit a written request for an interpretation thereof to the County. An interpretation of the contract specifications will be made only by addendum duly issued to each party receiving a request for proposal. Addenda will be available at the County offices for review by any interested party. The County shall not be responsible for explanations or interpretations of contract specifications except as issued by addendum.
- b. Any changes to the request for proposal and contract specifications shall be in the form of a written addendum from the County which shall be signed by the Purchasing Agent or any duly authorized representative.
- c. The County will endeavor to issue all addenda no later than four (4) calendar days prior to the date set for the receipt of proposals except for addenda extending the date for the receipt of proposals or withdrawing the request for proposals.
- d. Each offeror shall be responsible for determining that all addenda issued by the County for the request for proposals have been received before submitting a proposal for the work.

- e. Each offeror shall acknowledge the receipt of each addendum in his proposal.
- e. The County may issue addenda by facsimile transmission, email, or any other method reasonably calculated to result in timely delivery to the potential offerors.

6. **Taxes:**

- a. The successful offeror shall pay all state, local, and federal taxes. Said taxes shall not be in addition to the contract price between the County and the successful offeror, as the taxes shall be an obligation of the successful offeror and not of the County, and the County shall be held harmless for the same by the successful offeror.

7. **Submission of Proposals:**

- a. Please mail or deliver all proposals in hard copy. Please do not send proposals by fax, email, or telegraph.
- b. The envelope containing the proposal should be sealed and marked in the lower left-hand corner with the request for proposal number, commodity, and hour and due date of the proposal. Additional copies of proposals should be enclosed in the same envelope as the original proposal.
- c. If a proposal contains proprietary information or trade secrets, such information must be submitted in a separate sealed and resealable envelope, and clearly marked as such.

8. **Modification of Proposal:**

- a. A proposal may be modified or withdrawn by the offeror anytime prior to the time and date set for the receipt of proposals. The offeror shall notify the County, in writing of his intentions.
- b. Modified and withdrawn proposals may be resubmitted to the County up to the time and date set for the receipt of proposals.

9. **Award of Contract:**

- a. The County reserves the right to waive any informality in proposals and to reject any or all proposals.
- b. The contract documents shall be subject to and governed by the laws of the Commonwealth of Virginia and the County. Any dispute arising out of the contract documents, their performance, or their interpretation shall be litigated only in the Circuit Court of the County of Shenandoah, Virginia.

10. Bonds:

- a. If the successful offeror is required to furnish a Performance Bond and a Labor and Material Payment Bond by the request for proposals, or if the proposal is for a construction contract in excess of \$100,000, the successful offeror will be required to furnish a Performance Bond and a Labor and Material Payment Bond in accordance with the requirements of § 2.2-4337 of the Code of Virginia.

11. Insurance:

- a. Unless expressly waived by the County, the successful offeror shall maintain insurance to protect himself and the County from claims under the Worker's Compensation Act, and from any other claim for damages for personal injury, including death, and for damages to property which may arise from operations under this contract, whether such operations be by the offeror or by any subcontractor or anyone directly employed by either of them. Such insurance shall conform to the specifications of this section, or the requirements of applicable law, if greater.

The successful offeror shall carry public liability insurance at least in the amounts specified below, including the contractual liability assumed by the contractor, and shall deliver Certificates of Insurance from carriers acceptable to the owner specifying such limits, with the County named as an additional insured. In addition the insurer shall agree to give the County 30 days notice of its decision to cancel coverage.

- Worker's Compensation and Employer's Liability  
Standard Virginia Worker's Compensation
- Automobile Liability, including Owned, Non-Owned and Hired Car Coverage  
Bodily Injury - \$2,000,000 each person, \$2,000,000 each occurrence  
Property Damage - \$250,000 each occurrence
- Comprehensive General Liability  
Bodily Injury - \$2,000,000 per occurrence, \$2,000,000 annual aggregate  
Property Damage - \$250,000 per occurrence, \$250,000 annual aggregate

Including Completed Operations/Products, Contractual Liability for Specified Agreement, Personal Injury, (XCU) Explosion, Collapse and Underground Coverage, Broad Form Property Damage

12. Successful Offeror's Performance:

- a. The successful offeror shall furnish all labor, materials and equipment necessary to fulfill the requirements of the contract in strict compliance with

the general terms, conditions, specifications and drawings of his proposal and the contract documents.

- b. The successful offeror agrees and covenants that his agents and employees shall comply with all Town, County, State and Federal laws, and rules and regulations applicable to the business to be conducted under the contract.
- c. The successful offeror shall ensure that his employees observe and exercise all necessary caution and discretion so as to avoid injury to person or damage to property of any and all kinds.
- d. The successful offeror shall cooperate with County officials in performing the work so that interference with existing County operations will be held to a minimum.
- e. The successful offeror agrees and covenants that he shall indemnify and hold the County and its employees and agents harmless against and from all liability, claims, damages and costs, including attorneys fees of every kind attributable to bodily injury, sickness, disease or death or to damage to or destruction of property resulting from or in any manner arising out of or in connection with the project and the performance of the work under the contract, whether or not caused in part by a person or entity indemnified by this agreement.
- f. In case of any contractual default of the successful offeror, the County, after due notice may procure the goods and/or services detailed in the contract from other sources and hold the successful offeror responsible for all damages including, without limitation, attorneys fees and any other excess cost occasioned thereby.

13. **Employment Discrimination by Contractor Prohibited:**

- a. During the performance of this contract, the successful offeror agrees as follows:
  - (1) The successful offeror will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or 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 the contractor. The successful offeror agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
  - (2) The successful offeror, in all solicitations or advertisements for employees placed by or on behalf of the successful offeror, will state that such contractor is an equal opportunity employer.

(3) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

b. The successful offeror shall include the provisions of the foregoing paragraphs of this section in every subcontract or purchase order of over \$10,000 so that the provisions will be binding upon each subcontractor or vendor.

14. **Drug Free Workplace:**

During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's 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 the contractor's 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 behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

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 a contractor 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.

15. **Compensation:**

- a. The successful offeror shall be required to submit a complete itemized invoice on each delivery or service which he may perform under the contract.
- b. Payment shall be rendered to the successful offeror for satisfactory compliance with the terms, conditions and specifications of the contract and within forty-five (45) days after the receipt of the proper invoice.

16. **Successful Offeror's Obligation to Pay Subcontractors:**

a. The successful offeror awarded the contract for this project shall take one of the two following actions within seven (7) days after the receipt of amounts paid to him by the County for work performed by his subcontractor(s) under the contract:

- (1) Pay the subcontractor(s) for the proportionate share of the total

payment received from the County attributable to the work performed by the subcontractor(s) under the contract; or

- (2) Notify the County and subcontractor(s), in writing, of his intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.
- b. The successful offeror shall pay interest to the subcontractor(s) on all amounts owed by the contractor that remain unpaid after seven (7) days following receipt by the contractor of payment from the County for work performed by the subcontractor(s) under the contract, except for amounts withheld as allowed by subparagraph a(2) above. Unless otherwise provided under the terms of this contract, interest shall accrue at the rate of one percent (1%) per month.
- c. The successful offeror 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(s).
- d. The successful offeror obligation to pay an interest charge to a subcontractor(s) pursuant to the payment clause in this section shall not be construed to be an obligation of the County. A contract modification will not be made for the purpose of providing reimbursement for such interest charge and a cost reimbursement claim shall not include any amount for reimbursement for such interest charge.

17. **Cancellation:**

- a. The County reserves the right to terminate the contract immediately: 1) in the event that the successful offeror discontinues or abandons operations; 2) if adjudged bankrupt, or reorganized under any bankruptcy law; or 3) fails to keep in force any required insurance policies or bonds.
- b. Failure of the successful offeror to comply with any section or part of its contract will be considered grounds for immediate cancellation of the contract by the County.
- d. If the successful offeror has not breached the contract but the County cancels it, the offeror will be paid by the County for all scheduled work completed satisfactorily by the successful offeror up to the termination date set in the written cancellation notice.

18. **Governing Documents:**

This procurement is subject to the terms of Chapter 43 of the Shenandoah County Code and the Shenandoah County Purchasing Procedures Manual. Copies of these documents are available upon request.

19. The County does not discriminate against faith-based organizations.