

## NOTICE

The City of Mercedes is accepting Sealed Proposals for GROUP HEALTH/DENTAL/VISION/RX INSURANCE until 4:00 PM, Thursday, October 5, 2023, at which time they will be opened in the City Manager's office. Any proposals received after the time for opening shall be returned unopened. Proposals submitted via faxes will not be accepted.

Specifications are available and can be obtained at the Office of the City Secretary, 400 South Ohio, Mercedes, Texas, 78570, (956) 565-3114 ext. 138, beginning Thursday, September 14, 2023 at 4:00 PM or on the City's website at; [www.cityofmercedes.com](http://www.cityofmercedes.com).

Each bidder shall furnish the information required on the proposal forms. The proposals shall be sealed and addressed to: City Manager Alberto Perez, P.O. Box 837, Mercedes, TX 78570, or delivered to 400 South Ohio, Mercedes, Texas and clearly marked "PROPOSAL 2023-004 – GROUP HEALTH/DENTAL/VISION/RX INSURANCE" on the lower left-hand cover.

The City of Mercedes reserves the right to postpone, to accept or to reject any or all proposals, or to waive any informalities in the proposal process and will select on the best value to the City. Proposals may be held by the City of Mercedes for a period not to exceed sixty (60) days from the date of the opening for the purpose of reviewing the proposals and investigation of the proposer's qualifications and making recommendation to the City of Mercedes for contract award.

Please direct your questions to Kristine Longoria, Human Resources at [klongoria@cityofmercedes.com](mailto:klongoria@cityofmercedes.com) and cc'd to [jcastillo@cityofmercedes.com](mailto:jcastillo@cityofmercedes.com) or at (956) 565-3114.

Joselynn Castillo  
City Secretary

## Request for Proposals

# City of Mercedes

(PROPOSAL 2023-004 - GROUP HEALTH/DENTAL/VISION/RX INSURANCE)

Employee Benefit Plans

Fully Insured Medical/Prescription Drug Program

Dental and Vision

DUE: October 5, 2023 @ 4:00 P.M.

City of Mercedes, City Manager's Office

400 S. Ohio Ave. Mercedes, TX 78570

Effective Coverage: 12/01/2023

Introduction  
City of Mercedes

These proposal specifications have been prepared to solicit competitive proposals for the fully insured Group Medical/Dental/Vision/RX with PPO insurance program of the City of Mercedes, Texas, hereafter referred to as “the entity”.

A. Effective Date

Unless otherwise specified, the effective date of the coverage will be DECEMBER 1, 2023 at 12:01 A.M. Central Standard Time.

B. Underwriting Data

The underwriting, exposure, and loss date included in these specifications have been assembled by the entity. While every effort has been made to ensure the accuracy of this information, it cannot be guaranteed. It shall be the responsibility of the successful broker, insurer(s), and/or intergovernmental pool to review this information and work with the City of Mercedes on an ongoing basis to ensure all relevant information is included in the City’s insurance coverage.

If it becomes necessary to revise any part of this proposal, a written addendum will be provided to all who submitted proposals who have completed and returned the “Notice of Intent to Submit Proposal” form. The entity is not bound by any oral representations, clarification or change is provided to Proposers in written addendum from City Manager, Alberto Perez, the authorized representative of the City.

C. Agent/Broker and Insurer Requirements

All insurers involved must be authorized and/or licensed to operate in the State of Texas. Non-admitted or surplus line carriers must be on the approved list of the Texas Insurance Department and any applicable taxes or fees must be fully disclosed. Insurers must have a rating in the current edition of Best’s Insurance Reports (Property/Liability Edition) of at least “A” or better or, if an intergovernmental pool, provide a copy of the most recent audited financial statements complete with auditor’s notes and reinsurance arrangements.

D. Compliance with Laws

All Proposers shall observe and comply with all regulations, laws, ordinances, etc., of local, state, and federal governments as they apply to this proposal process.

E. Proposal Rules

1. Deviations from Specification: All deviations from these specifications must be clearly stated in your proposal. Any significant limitations of coverage, restrictive conditions, etc., should also be clearly described.

These specifications are not intended to be restrictive with respect to any innovative techniques for rating or for providing coverage, if a distinct advantage can be

demonstrated. Proposals failing to meet all of the specifications will not necessarily be rejected, but any deviations must be clearly noted to be considered.

2. Proposal: One (1) electronic, One (1) paper original and Seven (7) copies of sealed proposals must be submitted in writing at or before, 4:00 P.M. on October 5, 2023 to City Manager, Alberto Perez, City of Mercedes, Texas at the following address:

City of Mercedes  
400 S. Ohio Ave.  
Mercedes, TX 78570  
(956) 565-3114 ext. 138

Or mailed to:  
City of Mercedes  
P.O Box 837  
Mercedes, TX 78570

The sealed envelope must clearly state “2023-004 – Group Health/Dental/Vision/RX Insurance” and the date and time of the opening of Proposals. The proposals will be publicly opened at Mercedes City Hall on Thursday, October 5, 2023 at the following location:

City of Mercedes  
400 S. Ohio Ave.  
Mercedes, TX 78570  
(956) 565-3114 ext. 138

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Proposals must be submitted with complete specimen policy forms and all applicable endorsements attached. IF SPECIMEN POLICY FORMS AND ENDORSEMENTS ARE NOT PROVIDED, AN EXPLANATION IS REQUIRED AS TO WHY THEY ARE NOT INCLUDED, AND PROPOSALS MAY BE SUBJECT TO DISQUALIFICATION. Every effort will be made to compare proposals on an equitable basis. Please be assured your efforts will be well received and thoroughly considered. Our evaluation of the proposals will consider the limits, terms, conditions and exclusions of the coverage provided, cost, and services available from the broker, insurer(s) and pool(s), and the financial solvency of the carrier. The City reserves the right to accept or reject all or any part of any proposals, based upon its own selection criteria. Preference will be given to the carrier who can provide all lines of coverage in package format. Preference shall be given to proposers willing and able to provide all coverage being proposed. The term of coverage will be for a two-year period provided there is no rate increase within the option to extend two additional years if there is a rate reduction.

3. Anti-lobbying Provision  
During the period between the Request for Proposals solicitation, submission date, and the contract award, respondents, including their agents and/or representatives/owners, shall not contact or promote their Proposal to any member of the Mercedes City Commission or City staff except in the course of City sponsored inquires, briefings, interviews, and/or presentations requests through the City Manager. Violation of this provision may result in the rejection of the respondent's Proposal submittal.
4. Coverage Quotations: If the proposed coverage is contingent upon the entity providing additional information, inspections, completed applications, or is subject to any other conditions, such requirements must be stated clearly in the proposal. As NOTED PREVIOUSLY, PROPOSALS WITH SEPARATE QUOTATIONS FOR EACH LINE OF COVERAGE REQUESTED MUST BE SUBMITTED WITH COMPLETE SPECIMIEN POLICY FORMS AND ENDORSEMENTS ATTACHED.
5. Loss and Claims Reports: Each insurer (or its claims administrator) will be required to provide the City with periodic reports.
6. Loss Prevention Services: Please provide a description of the specific services available to the employees from you and/or the insurer(s), and indicate any additional fees that will be charged for such services.
7. Claims Adjusting Services: Please provide a description of claims adjusting services. If independent firms are to be used, the names and addresses of the firms are required to be shown. It is also required that the Claims Administration forms be completed and returned with your proposal.

8. Duration of Proposal: We require that all proposals remain valid without material change for at least 60 days after the due date noted in “2” above.
9. Non-Compliance with Signed Proposal: It is understood and agreed, in the event an insurance policy(ies) does not meet the terms and conditions accepted by the entity as specified in this proposal, the entity shall at its sole option have the right to:
  - a. Cancel the policy or policies on a pro-rata basis (not short rate); OR
  - b. Require the insurer, agent/broker, or intergovernmental pool to provide the coverage as stated in this proposal at the proposed premium.
10. Pro-Rata Cancellation: The entity may choose a common effective date for all policies. If this option is selected, the rates must be guaranteed for the extended coverage period required to bring all policies to a common effective date.

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## Introduction Notice General

This Notice is to highlight the main requirements of the Request for Proposals.

1. The City of Mercedes is accepting Sealed Proposals from qualified firms for Benefit Plan relating to fully insured Group Medical/Dental/Vision/RX with PPO Insurance.
2. Data contained in the specifications is confidential and must be used solely in preparation of a proposal for Insurance services or coverage as follows:
  - PPO Network
  - Utilization Review
  - Prescription Drug Card
3. Where applicable, all companies submitting proposal must be licensed by the Texas Department of Insurance and permitted to contract with the State or any of its subdivision. All insurance carriers must provide their company rating. Proposers who fall under the guideline of the Inter-local Cooperation Act, Chapter 791, Title 7, Government Code, will be acceptable.
4. The City of Mercedes may award to contract with the proposal that provided the services at the best value for the City. In determining the best value for the City, the City may consider the following:
  - The purchase price
  - The reputation of the bidder and of the bidder's goods or services;
  - The quality of the bidder's services
  - The extent to which the goods and services meet the City's needs;
  - The bidder's past relationship with the City;
  - The total long-term cost to the City to acquire the bidder's goods or services; and
  - Any relevant criteria specifically listed in this request for proposals.
5. The Term of this contract is for two (2) year term provided there is no rate increase with two (2) option one-year extensions provided there is no rate increase. Lower rates would be considered with no change in coverage.
6. Any questions regarding the bid documents, such as requests for clarifications and/or information or additional documents concerning this request for proposals shall be submitted in writing to: Human Resources Kristine Longoria, P.O Box 837, Mercedes, TX 78570 or by email to [klongoria@cityofmercedes.com](mailto:klongoria@cityofmercedes.com) and cc'd to

[jcastillo@cityofmercedes.com](mailto:jcastillo@cityofmercedes.com). No phone calls regarding this RFP will be accepted. Replies to written questions will be issued via email to requesting parties as well as to any other persons who have requested the packet for proposals. Oral interpretations or clarifications will be without legal effect.

7. Any form of contact by a respondent or potential respondent regarding this request for proposals at any time during the solicitation process from initial advertisement through time of award, with the City Commission or any person employed by the City of Mercedes other than through the communication channels included in this request for proposal, or as subsequently instructed by the City of Mercedes through the solicitation process, will constitute grounds for rejection of their proposal.
8. Public sector employers are not allowed, under current state law, to execute a document containing a Hold Harmless/Indemnification Clause causing the employer to be responsible for other parties' liability. Therefore, your documents should not contain any such clauses.
9. The City of Mercedes reserves the right to reject any or all proposals, or part of proposals, waive technicalities and to select the proposal in the best interest of the City. Price alone will not be the sole determining criteria in the selection process.
10. The respondents will submit: one (1) Electronic Submission is required (flash drive or CD) along with one (1) paper original and seven (7) copies. Materials must be submitted in a sealed envelope and addressed to: City Manager Alberto Perez, City of Mercedes, P.O. Box 837, Mercedes, TX 78570 or hand delivered to: City Manager's Office, 400 S. Ohio Ave. Mercedes, TX 78570 and clearly marked "PROPOSAL 2023-004 – GROUP HEALTH/DENTAL/VISION/RX INSURANCE" on the outside of the Envelope.
11. Digital Format: If any respondent obtains the proposal specifications in digital format in order to prepare a proposal, the proposal must be submitted in hard copy according to the instructions contained in the package. If, in its proposal response, respondents make any changes whatsoever to the published specifications, the specifications as published shall control. Furthermore, if any alteration of any kind to the bid specification is discovered after the contract is executed and is or is not being performed, the contract is subject to immediate cancellation without recourse.
12. Review: The City of Mercedes will analyze vendor pricing, services and capabilities for the medical/dental/vision/RX plans. The City's current vendor is as indicated below:

Medical/prescription  
Dental/Vision

Blue Cross Blue Shield  
Blue Cross Blue Shield

A summary of the benefits and eligibility provisions are included in this RFP.

**Options:**

The City of Mercedes is seeking sealed proposals from organizations (hereinafter referred to as “Vendor”) for the following: Fully Insured Group Medical/RX Program, Dental Insurance and Vision Insurance. Proposals should include at least one option.

Option 1 – Should be the current plan design.

Option 2 or more – Alternate proposals will also be considered, provided the alternative(s) are clearly identified and completely explained. Alternates can be a lower or higher cost option(s).

Option 3 – Proposals with an employee buy-up plan option will also be considered.

**ELIGIBILITY**

**ACTIVE EMPLOYEES AND DCM EMPLOYEES.** All regular, full-time, active employees, working at least 40 hours per week are eligible to participate in the City’s benefits plan (medical/RX). Elected officials serving in office (members of the City Commission) are not eligible to participate in the City’s medical and prescription benefit plan. DCM full-time employees are also eligible to be covered. All eligible dependents and spouses of active employees are allowed to elect health coverage at the employee’s expense, provided that the employee has also elected coverage. Dependent children who are under 26 years old are eligible, regardless of student status. The City contributes 100% of the Employee Only Cost for MEDICAL/RX. The City contributes \$10 of the Employee Only Cost for Dental and \$5 toward the Employee Only Cost for Vision.

**PLAN EFFECTIVE DATE: Medical - December 1, 2023, Dental/Vision – December 1, 2023**

Coverage: Medical Coverage will be on the 1<sup>st</sup> day of the month before the expiration of 90 days from initial date of employment, unless otherwise required by law. Dental and Vision Coverage shall be effective the 1<sup>st</sup> day of the month following the date of employment.

Commissions/Agent of Record:

The City does not currently have an agent of record. The City is seeking to select an agent of record. The Commission shall have an input as to the commission of the agent of record, if it affects the premium rates.

Disqualification:

Disqualification may occur for any of the following reasons:

- The respondent is involved in any litigation against the City of Mercedes;
- The respondent is in arrears on any existing contract or has defaulted on a previous contract with the City;

- The respondent is disbarred, suspended, or otherwise excluded from or ineligible for participation in State or Federal assistance programs.
- The respondent contacts any member of the City Commission from the time proposals are bid up to and during the time to award to promote their proposal.

#### Confidentiality

All proposals submitted shall remain confidential. After award, proposals will be made available for public inspection pursuant to the Public Information Act. The City shall not be responsible for the confidentiality of any trade secrets or other information contained disclosed in the proposal unless clearly identified as such.

#### Award of Contract

The City reserves the right to accept or reject any or all proposals, and to waive any formalities, or irregularities in the RFP process and award the proposal to best serve the interest of the City. Proposals may be awarded or rejected in any combination the City selects.

The City will select the most highly qualified respondent(s) of the requested services based on demonstrated competence and qualifications and then attempt to negotiate with respondent(s) a contract(s) at a fair and reasonable price.

#### Acceptance of Proposal Content

Before submitting a proposal, each Respondent shall make all investigations and examinations necessary to ascertain all conditions and requirements affecting the performance of the contract to verify any representations made by the City upon which the proposal will rely.

The estimated timeline for specification is noted below and followed by the detailed requirements.

First Publication: September 20, 2023  
Second Publication: September 27, 2023  
Proposals Due: October 5, 2023 at 4:00 P.M.

Contract Effective Date: December 1, 2023

#### **DEADLINE AND DELIVER LOCATION**

Deadline: Sealed submittals must be received and time stamped by 4:00 P.M., Local Time, October 5, 2023. The clock located at the City will be the official time. It is the sole responsibility of the respondent to ensure that the sealed RFP submittal arrives at the below location by specified deadline.

One (1) Electronic Submission is required (flash drive or CD) along with (1) one paper original and seven (7) copies. Materials must be submitted in a sealed envelope and addressed to: City Manager Alberto Perez, City of Mercedes, P.O. Box 837, Mercedes, TX 78570 or hand delivered to: City Manager Alberto Perez, 400 S. Ohio Ave., Mercedes, TX 78570 and clearly marked on

the outside of the Envelope: **“PROPOSAL 2023-004 – GROUP HEALTH/DENTAL/VISION/RX INSURANCE”**. Faxed submittals will not be accepted. Proposals received after the deadline will be considered unacceptable and will not be opened. The City of Mercedes is not responsible for lateness of mail, courier service, etc.

### **SCOPE OF SERVICES REQUESTED**

The City shall require that the respondents provide all necessary services included, but not limited to the following:

- Maintain a fully automated claims adjudication system in compliance with electronic transmission standards and security requirements and all other regulars as required by HIPAA. Provide WEB access to plan participants that allows for claim status and offers various customers service functions.
- Maintain records and management reports, including claims and accounting information as required by the contract.
- Provide timely response to inquiries from plan participants and providers regarding eligibility and status of claim, correspondence, payment, and any other information requested by such parties in a manner that will limit the City’s involvement in day-to-day inquiries.
- Prepare and review with the Human Resources and Payroll staff, and print summary plan documents, claim forms, and any other communication material as required by the contract.
- If vendor issues ID cards, the City prefers vendor to mail the initial identification cards to the City of Mercedes address.
- Deliver utilization reports. The City needs to be able to access standard reports online, preferably in excel format.
- Provide online access to additional standard or ad hoc reports as needed by the City. If a specific report cannot be generated online, prepare and provide such to the City electronically.
- Meet with representatives of the City’s Human Resources and Payroll Departments as often as deemed necessary by City.
- Assist City with filing all necessary documentation required by law.

### **Contract Terms**

The City desires to receive proposals with at least two (2) year guarantee, with an optional two (2) year extensions if there will be no increase in premium rates.

### **Exhibits**

Any Information necessary for the submittal of this proposal are not included. Respondents may request plan coverage, reports, and employee census by contacting the Human Resources Department by email at [klongoria@cityofmercedes.com](mailto:klongoria@cityofmercedes.com) and cc’d to [jcastillo@cityofmercedes.com](mailto:jcastillo@cityofmercedes.com).

## **Proposal Format**

### General

Proposals shall be submitted in the following format with each element requested and/or form furnished as specified to facilitate evaluation of the proposals. The detailed requirements in this RFP are mandatory.

### Letter of Transmittal

- A letter of transmittal must be submitted with a Respondent's proposal. The Letter must include:
  - o A statement of the respondent's understanding of the services required by the Request for Proposal and attached specifications.
  - o A statement that the respondent can and will furnish the required services in full compliance to the terms, conditions and specifications set forth in this RFP within the designated time frames.
  - o A statement of the Respondent's status (i.e. corporation, partnership, other), and its affiliation with any other corporation or firm along with the names of the person(s) authorized to make representations on behalf of the respondent, binding the firm to a contract.

## **Table of Contents**

A Table of Contents should indicate the material in the proposal.

## **Required Attachments**

All quoting respondents should complete the appropriate items outlined in the RFP.

Quoting respondents may include additional information, flyers brochures, etc. in each tab of their hard copy responses in addition to the complete required attachments.

Quoting respondents should also include the name, address, phone number, fax number, email address of the contact person(s) within the organization.

## **Selection Process**

The City shall evaluate all submissions and present such to the City Commission. The City Manager shall make a recommendation to the City Commission of the selection of the most qualified respondent to enter into contract negotiations with the City. The City will evaluate the quotes based on price, coverage area, billing and technical support. The City reserves the right to negotiate the final fee schedule prior to recommending any respondent a contract.

## **Selection Criteria**

Respondents are advised that the City reserves the right to evaluate and rank the proposals without input from the respondents. Therefore, proposals should be complete as initially submitted.

When services and fees are agreed upon, the selected respondent shall be offered a contract subject to City Commission approval.

The selected respondent shall enter into negotiations with the City for the services to be performed. Should negotiations be unsuccessful, the City shall enter into negotiations with the next, highest-ranked respondent until an agreement for services and fees are reached. This process shall continue until an agreement is reached.

This RFP does not commit the City to pay for any direct and/or indirect costs incurred in the preparation and presentation of a response. The City reserves the right to accept or reject all or part of proposals.

## NOTICE TO RESPONDENTS

### Disclosure of Certain Relationships

Chapter 176 of the Texas Local Government Code requires that any vendor or person considering doing business with a local governmental entity make certain disclosures concerning any affiliation or business relationship that might cause a conflict of interest with the local governmental entity. The provisions of Chapter 176 and the Form CIQ questionnaire that must be completed to comply with this law are available at the Texas Ethics Commission website.

A current list of the City of Mercedes City Commission members and the City Manager are available at the City, or on the City's website at <http://www.cityofmercedes.com>. If you are considering doing business with the City of Mercedes and have an affiliation or business relation that requires you to submit a completed CIQ Form it must be filed with the City Secretary's Office of the City of Mercedes. The CIQ Form must be submitted no later than the seventh (7<sup>th</sup>) business day after the date you become aware of facts that require the form to be filed. You may also include the statement along with the proposal. See Section 176.006, Texas Local Government Code. It is a Class C misdemeanor to violate this provision.

By submitting a response to the City of Mercedes Request for Proposal, Request for Bid, or Request for Qualifications or by conducting business with said entity, you are representing that you are in compliance with the requirements of Chapter 176 of the Texas Local Government Code.

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Letter of Interest

RFP: Group Medical/Dental/Vision/RX

The undersigned firm submits the following information in response to Request for Proposal, issued by the City of Mercedes, Texas (“City”) for a Group Medical/Dental/Vision/RX. This proposal includes:

- Completed RFP Letter of Interest Form. (Required)
- Completed Conflict of Interest Questionnaire Form. (Required)
- Completed Debarment and Suspension Certificate. (Required)
- Non-Collusion Statement (Required)
- One (1) electronic copy of proposal (Required)
- One (1) original and seven (7) paper copies of proposal (Required)

Respondent is responsible for calling the City Manager of the City of Mercedes to determine if any addendums have been issued.

Respondent also understands that the City is not bound to select any proposals for the final pre-qualified list and may reject any RFP submittal that the City receives.

Respondent further understands that all costs and expenses incurred by them in preparing this RFP and participating in this process will be borne solely by the respondent, and that the RFP submittal materials will become the property of the City and will not be returned.

Respondent agrees that the City will not be responsible for any errors, omissions, inaccuracies, or incomplete statements in this RFP and accepts all terms of the RFP submittal process by signing this letter of interest and making the RFP submittal.

The respondent certifies, by submission of this proposal or acceptance of this contract, that neither it, nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal or State departments or agencies.

Any offer submitted because of this RFP shall be binding on the Respondent for 90 calendar days following the specified opening date. Any proposal for which the respondent specifies a shorter acceptance period may be rejected.

This RFP shall be governed by and construed in all respects according to the laws of the State of Texas.

Company Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Tax ID: \_\_\_\_\_

\_\_\_\_\_  
Representative Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

# CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

## FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

### OFFICE USE ONLY

Date Received

**1** Name of vendor who has a business relationship with local governmental entity.

**2**  Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

**3** Name of local government officer about whom the information is being disclosed.

\_\_\_\_\_  
Name of Officer

**4** Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes       No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes       No

**5** Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

**6**  Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

**7**

\_\_\_\_\_  
Signature of vendor doing business with the governmental entity

\_\_\_\_\_  
Date

## **CONFLICT OF INTEREST QUESTIONNAIRE**

### **For vendor doing business with local governmental entity**

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

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

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

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

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

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(2) the vendor:

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

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

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

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

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

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

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

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

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

(3) has a family relationship with a local government officer of that local governmental entity.

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

(1) the date that the vendor:

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

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

(2) the date the vendor becomes aware:

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

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

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

## DEBARMENT AND SUSPENSION CERTIFICATION

### INSTRUCTIONS

1. By signing and submitting this proposal, the prospective participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in the denial of participation in the covered transaction. The prospective participant shall submit an explanation of why they cannot provide the certification set out below. The certification or explanation will be considered in connection with the determination whether to enter into this transaction. However, failure of the prospective participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the City of Mercedes determined to entertain to this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available, the City of Mercedes may terminate this transaction for cause.
4. The prospective participant shall provide immediate written notice to the City of Mercedes to which this proposal is submitted if at any time the prospective participant learns that its certification was erroneous when submitted or has become erroneous because of changed circumstances.
5. The terms “covered transaction”, “debarred”, “suspended”, “ineligible”, “lower tier covered transaction”, “participant”, “person”, “primary covered transaction”, “principal”, “proposal”, and “voluntarily excluded”, is used in this clause, have the meaning set out in the Definitions and Coverage section of the rules implementing Executive Order 12549 (13CRF Part 145). You may contact the City of Mercedes for assistance in obtaining a copy of these regulations.
6. The prospective participant agrees by submitting this proposal that, should the proposed transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible or voluntarily excluded from participation in his covered transaction, unless authorized by the City of Mercedes.
7. The prospective participant further agrees by submitting this proposal that it will include the clause titled “Certification regarding Debarment and Suspension” provided by the City of Mercedes without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the ineligibility of its principals. Each participant may, but is not required to check the non-procurement list.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, or in addition to other remedies available to the City of Mercedes, the City of Mercedes may terminate this transaction for cause.

## DEBARMENT AND SUSPENSION CERTIFICATION

1. The prospective primary participant certifies to the best of its knowledge and belief that it and its principals:
  - a. Are not presently debarred, suspended, proposed for disbarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;
  - b. Have not within a three year period preceding this application been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or Local) transaction on or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - c. Are not presently indicted for or otherwise criminally or civically charged by a Governmental entity (Federal, State, or Local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
  - d. Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or Local) terminated for cause or default.
2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective primary participant shall attach an explanation to this proposal.

**Business Name:** \_\_\_\_\_

By: \_\_\_\_\_  
Name & Title of Authorized Representative

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ANTI-COLLUSION CERTIFICATION  
SUBMISSION FORM**

The undersigned certifies that:

- a) This Proposal was exclusively developed and prepared without collusion with any competing proposer.
- b) The content of this Proposal has not and will not knowingly be disclosed to any competing or potential competing proposer prior to the opening date, time and place specified.
- c) No act to persuade any person, partnership or corporation to submit or withhold a Proposal has been made.
- d) The undersigned warrants having a complete understanding regarding the accuracy of the statements in this certificate and the penalties applicable to the Proposing vendor and signatory representing the proposer.

Company Name: \_\_\_\_\_

Address of Company: \_\_\_\_\_

Name of Agent: \_\_\_\_\_

Address of Agent: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Signatory Name and Title (Printed): \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_ Date: \_\_\_\_\_

