



**Utilities Department
Marketing Services Division**

**REQUEST FOR PROPOSAL (RFP) NUMBER 134341
FOR PROFESSIONAL SERVICES**

TITLE: "HOME ENERGY REPORTS"

Pre-proposal Teleconference:

**8:30 a.m.
Monday, November 16, 2009**

RFP submittal deadline:

**3:00 p.m.
Tuesday, December 1, 2009**

**Contract Administrator:
Carolynn.bissett@cityofpaloalto.org**

Carolynn Bissett

**CITY OF PALO ALTO
PURCHASING/CONTRACT ADMINISTRATION
250 HAMILTON AVENUE
PALO ALTO, CA 94301
(650) 329-2271**

**REQUEST FOR PROPOSAL (RFP) NO. 134341
FOR PROFESSIONAL SERVICES**

TITLE: HOME ENERGY REPORTS

1. INTRODUCTION

The City of Palo Alto Utilities Department (CPAU) desires to contract with a company that offers a turnkey service in providing a visually compelling, dynamically generated Home and Small Business Utility Usage Reports for each residential and small commercial customer. The Company providing this service shall employ expertise in behavioral science, direct marketing, data mining and dynamic reporting to implement the program. The reports shall be composed of carefully crafted modules that recommend particular savings measures based on usage patterns. These measures will be dynamically selected and individualized for each report, season of the year and customer usage type. The modules will be designed to work together to drive energy and water resource efficiency gains. The reports shall be printed and mailed to CPAU residential and small commercial customers by the Company or its subcontractor(s) on a regular schedule, as frequently as once per month, or on a billing period schedule to be determined in consultation with CPAU. The reports shall also be available for customer review in an on-line format. This information will be customized to each individual residential customer and compare the customer's energy and water usage with a demographically similar group of Palo Alto residents occupying similar housing stock (age, size). Customized reports will be developed for small business customers with similar facilities, operations and hours of operations. The required services and performance conditions are described in the Scope of Work (or Services).

2. ATTACHMENTS

The attachments below are included with this Request for Proposals (RFP) for your review and submittal (see asterisk):

- Attachment A – Proposer's Information Form*
- Attachment B – Certification of Non-discrimination*
- Attachment C – Scope of Work/Services
- Attachment D – Sample Agreement for Professional Services
- Attachment E – Sample Table, Qualifications of Firm Relative to City's Needs
- Attachment F – Cost Proposal Format
- Attachment G – Insurance Requirements

The items identified with an asterisk (*) shall be filled out, signed by the appropriate representative of the company and returned with submittal.

3. INSTRUCTIONS TO PROPOSERS

3.1 Non-mandatory Pre-proposal Teleconference

A non-mandatory pre-proposal teleconference will be held Monday, November 16, 2009 at 8:30 a.m. In order to participate in the teleconference, please call the AT&T Conference Center: 1-877-336-1831 using Access Code: 5301570. All prospective Proposers are strongly encouraged to attend.

3.2 Examination of Proposal Documents

The submission of a proposal shall be deemed a representation and certification by the Proposer that they:

- 3.2.1 Have carefully read and fully understand the information that was provided by the City to serve as the basis for submission of this proposal.
- 3.2.2 Have the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted.
- 3.2.3 Represent that all information contained in the proposal is true and correct.
- 3.2.4 Did not, in any way, collude, conspire to agree, directly or indirectly, with any person, firm, corporation or other Proposer in regard to the amount, terms or conditions of this proposal.
- 3.2.5 Acknowledge that the City has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by Proposer, and Proposer hereby grants the City permission to make these inquiries, and to provide any and all related documentation in a timely manner.

No request for modification of the proposal shall be considered after its submission on grounds that Proposer was not fully informed to any fact or condition.

3.3 Addenda/Clarifications

Should discrepancies or omissions be found in this RFP or should there be a need to clarify this RFP, questions or comments regarding this RFP must be put in writing and received by the City no later than 1:00 p.m., Wednesday, November 18, 2009. Correspondence shall be emailed to Carolynn.bissett@cityofpaloalto.org. Responses from the City will be communicated in writing to all recipients of this RFP. Inquiries received after the date and time stated will not be accepted and will be returned to senders without response. All addenda shall become a part of this RFP and shall be acknowledged on the Proposer's Form.

The City shall not be responsible for nor be bound by any oral instructions, interpretations or explanations issued by the City or its representatives.

3.4 Submission of Proposals

All proposals shall be submitted to:

City of Palo Alto
Purchasing and Contract Administration
250 Hamilton Avenue, Mail Stop MB
Palo Alto, CA 94301

Proposals must be delivered no later than 3:00 p.m. on Tuesday, December 1, 2009. All proposals received after that time will be returned to the Proposer unopened.

The Proposer shall submit five copies plus one "original" of its proposal in a sealed envelope, addressed as noted above, bearing the Proposer's name and address clearly marked, "RFP NO. 134341 FOR PROFESSIONAL SERVICES: HOME ENERGY REPORTS." The use of double-sided paper with a minimum 30% post-consumer recycled content is strongly encouraged. Please do not submit proposals in plastic binders.

3.4 Withdrawal of Proposals

A Proposer may withdraw its proposal at any time before the expiration of the time for submission of proposals as provided in the RFP by delivering a written request for withdrawal signed by, or on behalf of, the Proposer.

3.5 Rights of the City of Palo Alto

This RFP does not commit the City to enter into a contract, nor does it obligate the City to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract. The City reserves the right to:

- Make the selection based on its sole discretion;
- Reject any and all proposals;
- Issue subsequent Requests for Proposals;
- Postpone opening for its own convenience;
- Remedy technical errors in the Request for Proposals process;
- Approve or disapprove the use of particular subconsultants;
- Negotiate with any, all or none of the Proposers;
- Accept other than the lowest offer;
- Waive informalities and irregularities in the Proposals and/or

- Enter into an agreement with another Proposer in the event the originally selected Proposer defaults or fails to execute an agreement with the City.

An agreement shall not be binding or valid with the City unless and until it is executed by authorized representatives of the City and of the Proposer.

4. PROPOSED TENTATIVE TIMELINE

The tentative RFP timeline is as follows:

RFP Issued	Nov. 2, 2009
Pre-Proposal Teleconference	Nov. 16, 2009 at 8:30 a.m.
Deadline for questions, clarifications	Nov. 18, 2009 by 1:00 p.m.
Addendum Issued by	Nov. 23, 2009 by 5:00 p.m.
Proposals Due	Dec. 1, 2009 by 3:00 p.m.
Finalist Identified	Dec. 15, 2009
Consultant Interviews	Jan. 5, 2010
Consultant selection and contract preparation	Jan. 15, 2010
Contract awarded	Mar. 8, 2010
Work commences	Apr. 1, 2010

5. INFORMATION TO BE SUBMITTED (to be submitted in this order only)

These instructions outline the guidelines governing the format and content of the proposal and the approach to be used in its development and presentation. The intent of the RFP is to encourage responses that clearly communicate the Proposer's understanding of the City's requirements and its approach to successfully provide the products and/or services on time and within budget. Only that information which is essential to an understanding and evaluation of the proposal should be submitted. Items not specifically and explicitly related to the RFP and proposal, e.g. brochures, marketing material, etc. will not be considered in the evaluation.

Prospective consultants shall, whenever practicable, use recycled content paper for all documents submitted to the City. Proposals should be prepared simply and economically and give a straightforward and concise description of the consultant's capabilities to satisfy the requirements of the project. Special bindings, colored displays, etc. are not necessary. Emphasis should be placed on completeness and clarity of content.

All proposals shall address the following items in the order listed below and shall be numbered 1 through 8 in the proposal document.

5.1 Chapter 1 – Proposal Summary

This Chapter shall discuss the highlights, key features and distinguishing points of the Proposal. A separate sheet shall include a list of individuals and contacts for this Proposal and how to communicate with them. Limit this Chapter to a total of three (3) pages including the separate sheet.

5.1.1 – Letter of Interest – (please provide if necessary)

To be no more than two (2) pages long. The letter of interest may contain any information not shown elsewhere in the proposal.

5.2 Chapter 2 – Profile on the Proposing Firm(s)

This Chapter shall include a brief description of the Prime Proposer's firm size as well as the proposed local organization structure (include organizational chart). Include a discussion of the Prime Proposer firm's financial stability, capacity and resources. Include all other firms participating in the Proposal, including similar information about the firms.

Additionally, this section shall include a listing of any lawsuit or litigation and the result of that action resulting from (a) any public project undertaken by the Proposer or by its subcontractors where litigation is still pending or has occurred within the last five years or (b) any type of project where claims or settlements were paid by the consultant or its insurers within the last five years.

5.2.1 Additional Administrative Information

To be no more than one (1) page long. Provide the following information relative to your firm. (Similar information must be provided for any subconsultant listed in your submittal.)

Year established, include former firm names and year established (if applicable).

5.2.2 – References

References will not be scored, but will be used to verify the accuracy of information provided by the respondents and may lead to adjustment of the initial scoring of respondents on the criteria. CPAU reserves the right to contact references other than those provided by a prospective consultant.

5.3 Chapter 3 – Qualifications of the Firm

This Chapter shall include a brief description of the Proposer's and sub-Proposer's qualifications and previous experience on similar or related projects. Provide in a table format (see Sample Table, Attachment E)

descriptions of pertinent project experience with other public municipalities and private sector that includes a summary of the work performed, the total project cost, the percentage of work the firm was responsible for, the period over which the work was completed, and the name, title, and phone number of client's to be contacted for references. Give a brief statement of the firm's adherence to the schedule and budget for the project.

This chapter shall include information regarding any relationships with firms and/or individuals who may submit proposals in response to the RFPs being developed.

5.3.1 – Additional Qualifications of the Firm (Proposer)

1. **Team's Experience:** Indicate the Team's years of experience in providing the requested professional services. Provide resumes for key Team members as well as a Team organizational chart.

Provide a list of all projects undertaken during the past five (5) years which includes the following information for each project: project scope, project cost, team's project responsibilities, project manager and contract information, and name and contact information of individual who can attest to respondent's activities and performance in relation to the project.

2. **Project Manager's Experience:** Provide a comprehensive summary of the experience and qualifications of the individual who will be selected to serve as the Project Manager. This individual must have significant experience working on projects of similar scope and complexity and should have served as Project Manager on a minimum of three previous similar projects.
3. **Previous / Similar Projects:** Please provide a list of a minimum of three (3) projects which demonstrate the Team's experience in providing services similar to those identified in the Scope of Work. For each project, please provide the following information:
 - Client name, address, phone number, e-mail.
 - Description of the scope of the work.
 - Month and Year the project was started and completed.
 - Total cost and/or fees paid to your firm.
4. **Qualifications of Project Team:** Please list the members of the proposed Project Team. Provide a list of the personnel to be used on this project and their qualifications. A resume of each individual, including education, experience, and any other pertinent information shall be included for each Team member, including any subcontractors, to be assigned to this project.

Indicate if any proposed team member is currently doing work or has done prior work for CPAU either as a CPAU employee (permanent or temporary), and/or under contract with CPAU.

5. **Project Implementation Strategy:** Please describe the Project Team's strategy for implementing the project, including the following information:
- Organizational chart for the Project Team.
 - Narrative describing roles and responsibilities
 - Demonstration of Team's Quality Assurance/Quality Control Process.

5.4 Chapter 4 – Work Plan, or Approach, including Project Timeline

This Chapter shall present a well-conceived service plan. This section of the proposal shall establish that the Proposer understands the City's objectives and work requirements and Proposer's ability to satisfy those objectives and requirements. To be no more than ten (10) pages long. Discuss and clearly explain the methodology that your firm proposes to achieve the required results for this project.

For the tasks outlined in the Scope of Services, please provide a work timeline, internal and external staffing and cost estimates, identifying the approximate time required of CPAU's Project Management team, and the approach that your firm would use to accomplish each task.

1. Discuss your firm's approach to developing and completing the tasks and work products described in the Scope of Work. (Maximum of five (5) pages.)
2. Provide a preliminary timeline for project completion, include major tasks.
3. Provide preliminary person-day estimates for each of the tasks.

5.5 Chapter 5 – Proposed Innovations (*Optional*)

The Proposer may also suggest technical or procedural innovations that have been used successfully on other engagements and which may provide the City with better service delivery. In this Chapter discuss any ideas, innovative approaches, or specific new concepts included in the Proposal that would provide benefit to the City.

5.5.1 – Alternative Proposals

CPAU constantly seeks innovative solutions. If you wish to submit an alternative for garbage collection/recycling for consideration, you are encouraged to do so. Please submit the base bid per the scope of work outlined above and then provide a separate proposal outlining your alternative

approach. This alternative should be complete with alternative scope and alternative costs.

As stated above, Palo Alto constantly seeks innovative solutions. If the respondent wishes to submit an alternative for consideration, we encourage you to do so. Please submit the base bid per the scope of work outlined in this RFP and then provide a separate proposal outlining your alternative approach. This alternative should be complete with alternative scope and alternative costs.

5.6 Chapter 6 – Project Staffing

This Chapter shall discuss how the Proposer would propose to staff this project. Key project team members shall be identified by name, title and specific responsibilities on the project. An organizational chart for the project team and resumes for key Proposer personnel shall be included. Key personnel will be an important factor considered by the review committee. Changes in key personnel may be cause for rejection of the proposal.

5.7 Chapter 7 – Proposal Exceptions

This Chapter shall discuss any exceptions or requested changes that Proposer has to the City's RFP conditions, requirements and sample contract. If there are no exceptions noted, it is assumed the Proposer will accept all conditions and requirements identified in the Attachment D – "Sample Agreement for Services." Items not excepted will not be open to later negotiation.

5.8 Chapter 8 – Proposal Costs Sheet and Rates (Provide six copies in separate sealed envelope)

The fee information is relevant to a determination of whether the fee is fair and reasonable in light of the services to be provided. Provision of this information assists the City in determining the firm's understanding of the project, and provides staff with tools to negotiate the cost, provide in a table (See Table, Attachment F).

This Chapter shall include the proposed costs to provide the services desired. Include any other cost and price information, plus a not-to-exceed amount, that would be contained in a potential agreement with the City. The hourly rates may be used for pricing the cost of additional services outlined in the Scope of Work.

5.8.1 – Additional Cost Information

Total cost is a factor and CPAU expects each Company to submit a reasonable cost estimate, keeping in mind that the City is a public entity with limited resources.

Proposers are encouraged to submit realistic financial proposals and to fully explain their proposed project budget. At a minimum, cost proposals must identify:

- Staff hours and salary rates for each task for personnel who will perform the services;
- Proposed provisional overhead and profit rates; materials; travel costs; equipment usage charges (rate and total cost);

Note: If firms are proposing a firm fixed price contract, a cost breakdown needs to be submitted showing how firm arrived at his/her proposed contract amount. A proposal lacking this information will be rejected.

Bidders to this RFP process shall list the first year and second year costs of a turn key solution as described above. Costs should be identified as total costs, set up cost, ongoing administration costs and other recurring costs.

Size of the initial sample population for bidding purposes will be 25,000.

Additional Information that may be requested from firm during contract negotiations:

- Copy of your firm's overhead schedule for 2007 (which will be unaudited);
- Copies of your firm's FAR audited overhead schedules for 2006 and 2005; and
- A listing of the position titles associated with the employee names assigned to the project.

PLEASE NOTE: The City of Palo Alto does not pay for services before it receives them. Therefore, do not propose contract terms that call for upfront payments or deposits.

6. CONTRACT TYPE AND METHOD OF PAYMENT

It is anticipated that the agreement resulting from this solicitation, if awarded, will be a *not-to-exceed budget per task* form of contract. A Sample Agreement of Services is provided as Attachment D. The method of payment to the successful Proposer shall be on a *per task* basis with a maximum "not to exceed" fee as set by the Proposer in the proposal or as negotiated between the Proposer and the City as being the maximum cost to perform all work. This figure shall include direct costs and overhead, such as, but limited to, transportation, communications, subsistence

and materials and any subcontracted items of work. Progress payments will be based on a percentage of project completed.

Proposers shall be prepared to accept the terms and conditions of the Agreement, including Insurance Requirements in Attachment G. If a Proposer desires to take exception to the Agreement, Proposer shall provide the following information in Chapter 7 of their submittal package. Please include the following:

- Proposer shall clearly identify each proposed change to the Agreement, including all relevant Attachments.
- Proposer shall furnish the reasons for, as well as specific recommendations, for alternative language.

The above factors will be taken into account in evaluating proposals. Proposals that take substantial exceptions to the proposed Agreement may be determined by the City, at its sole discretion, to be unacceptable and no longer considered for award.

Insurance Requirements

The selected Proposer(s), at Proposer's sole cost and expense and for the full term of the Agreement or any extension thereof, shall obtain and maintain, at a minimum, all of the insurance requirements outlined in Attachment G.

All policies, endorsements, certificates and/or binders shall be subject to the approval of the Risk Manager of the City of Palo Alto as to form and content. These requirements are subject to amendment or waiver if so approved in writing by the Risk Manager. The selected Proposer agrees to provide the City with a copy of said policies, certificates and/or endorsement upon award of contract.

7. REVIEW AND SELECTION PROCESS

City staff will evaluate the proposals provided based on the following criteria:

- 7.1 Quality and completeness of proposal, comprehensive approach to utility customer comparative usage reports;
- 7.2 Implementation strategy, quality, performance and effectiveness of the solution, goods and/or services to be provided by the Proposer;
- 7.3 Proposers experience completing this type of program, including the experience of staff to be assigned to the project, the engagements of similar scope and complexity;
- 7.4 Cost/price to the city;
- 7.5 Proposer's ability to perform the work within the time specified;
- 7.6 Proposer's prior record of performance with city or others;
- 7.7 Proposer's ability to provide future services

The selection committee will make a recommendation to the awarding authority. The acceptance of the proposal will be evidenced by written Notice of Award from the City's Purchasing/Contract Administration Division to the successful Proposer.

8. ORAL INTERVIEWS

Proposers may be required to participate in an oral interview. The oral interview will be a panel comprised of members of the selection committee.

Proposers may only ask questions that are intended to clarify the questions that they are being asked to respond.

Each Proposer's time slot for oral interviews will be determined randomly. Proposers who are selected shall make every effort to attend. If representatives of the City experience difficulty on the part of any Proposer in scheduling a time for the oral interview, it may result in disqualification from further consideration.

9. PUBLIC NATURE OF MATERIALS

Responses to this RFP become the exclusive property of the City of Palo Alto. At such time as the Administrative Services Department recommends to form to the City Manager or to the City Council, as applicable, all proposals received in response to this RFP becomes a matter of public record and shall be regarded as public records, with the exception of those elements in each proposal which are defined by the Proposer as business or trade secrets and plainly marked as "Confidential," "Trade Secret," or "Proprietary". The City shall not in any way be liable or responsible for the disclosure of any such proposal or portions thereof, if they are not plainly marked as "Confidential," "Trade Secret," or "Proprietary" or if disclosure is required under the Public Records Act. Any proposal which contains language purporting to render all or significant portions of the proposal "Confidential," "Trade Secret," or "Proprietary" shall be regarded as non-responsive.

Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the City of Palo Alto may not accept or approve that the information that a Proposer submits is a trade secret. If a request is made for information marked "Confidential," "Trade Secret," or "Proprietary," the City shall provide the Proposer who submitted the information with reasonable notice to allow the Proposer to seek protection from disclosure by a court of competent jurisdiction.

10. COLLUSION

By submitting a proposal, each Proposer represents and warrants that its proposal is genuine and not a sham or collusive or made in the interest of or on behalf of any person not named therein; that the Proposer has not directly induced or solicited any

other person to submit a sham proposal or any other person to refrain from submitting a proposal; and that the Proposer has not in any manner sought collusion to secure any improper advantage over any other person submitting a proposal.

11. DISQUALIFICATION

Factors such as, but not limited to, any of the following may be considered just cause to disqualify a proposal without further consideration:

- 12.1 Evidence of collusion, directly or indirectly, among Proposers in regard to the amount, terms or conditions of this proposal;
- 12.2 Any attempt to improperly influence any member of the evaluation team;
- 12.3 Existence of any lawsuit, unresolved contractual claim or dispute between Proposer and the City;
- 12.4 Evidence of incorrect information submitted as part of the proposal;
- 12.5 Evidence of Proposer's inability to successfully complete the responsibilities and obligation of the proposal; and
- 12.6 Proposer's default under any previous agreement with the City, which results in termination of the Agreement.

12. NON-CONFORMING PROPOSAL

A proposal shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from or to a proposal may be sufficient grounds for non-acceptance of the proposal, at the sole discretion of the City.

13. GRATUITIES

No person shall offer, give or agree to give any City employee any gratuity, discount or offer of employment in connection with the award of contract by the city. No city employee shall solicit, demand, accept or agree to accept from any other person a gratuity, discount or offer of employment in connection with a city contract.

~ End of Section ~

Attachment A
Proposer's Information Form

PROPOSER (please print):

Name: _____

Address: _____

Telephone: _____ Fax: _____

Contact person, title, telephone and fax number: _____

Taxpayer Identification No. _____
(or Social Security Number if Sole Proprietorship)

Proposer, if selected, intends to carry on the business as (check one):

- ☐ Individual ☐ Joint Venture
☐ Partnership
☐ Corporation

When incorporated? _____

In what state? _____

When authorized to do business in California? _____

☐ Other (explain): _____

ADDENDA

To assure that all Proposers have received each addendum, check the appropriate box(es) below. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Proposal:

Addendum number(s) received: ☐ 1; ☐ 2; ☐ 3; ☐ 4; ☐ 5; ☐ 6;

Or, ☐ _____ No Addendum/Addenda Were Received (**check and initial**).

PROPOSER'S SIGNATURE

No proposal shall be accepted which has not been signed in ink in the appropriate space below:

By signing below, the submission of a proposal shall be deemed a representation and certification by the Proposer that they have investigated all aspects of the RFP, that they are aware of the applicable facts pertaining to the RFP process, its procedures and requirements, and they have read and understand the RFP. No request for modification of the proposal shall be considered after its submission on the grounds that the Proposer was not fully informed as to any fact or condition.

1. If Proposer is **INDIVIDUAL**, sign here

Date: _____

Proposer's Signature

Proposer's typed name and title

2. If Proposer is **PARTNERSHIP** or **JOINT VENTURE**; at least two (2) Partners shall sign here:

Partnership or Joint Venture Name (type or print)

Date: _____

Member of the Partnership or Joint Venture signature

Date: _____

Member of the Partnership or Joint Venture signature

3. If Proposer is a **CORPORATION**, the duly authorized officer shall sign as follows:

The undersigned certify that he/she is respectively:

Signature and _____
Title

Of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

Corporation Name (type or print)

By: _____ Date: _____

Title: _____

Attachment B

Certification of Nondiscrimination

As suppliers of goods or services to the City of Palo Alto, the firm and individuals listed below certify that they do not discriminate in employment of any person because of race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person; that they are in compliance with all Federal, State and local directives and executive orders regarding nondiscrimination in employment.

1. If Proposer is **INDIVIDUAL**, sign here:

Date: _____

Proposer's Signature

Proposer's typed name and title

2. If Proposer is **PARTNERSHIP** or **JOINT VENTURE**, at least (2) Partners or each of the Joint Venturers shall sign here:

Partnership or Joint Venture Name (type or print)

Date: _____

Member of the Partnership or Joint Venture signature

Date: _____

Member of the Partnership or Joint Venture signature

3. If Proposer is a **CORPORATION**, the duly authorized officer(s) shall sign as follows:

The undersigned certify that they are respectively:

Title

and

Title

Of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

Corporation Name (type or print)

By: _____ Date: _____

Title: _____

Attachment C

Scope of Services

Introduction

The City of Palo Alto (City) is a charter city located in the San Francisco Bay Area of Northern California. The City provides electricity, natural gas, water, wastewater collection, and other utility services to customers within its boundaries through its Utilities Department (CPAU). CPAU is the only municipal utility in California that operates publicly owned services in all four of the above areas. CPAU is a department of City government under the management of the Director of Utilities, who reports to the City Manager. The City Manager reports to the City Council. Utility rates for customers are set by the City Council, and the City is exempt from outside regulation of its retail rates.

The City's utility supplies and services acquisition activities are governed by competitive-selection requirements applicable to California government agencies. Information relating to the City's contracts are publicly available under applicable public records laws.

The City serves over 28,000 utility customers, of whom more than 25,000 are residential. The City's electric peak demand is approximately 190 MW and its annual energy demand of approximately 1,000 gigawatt hours (GWh) are served through a variety of resources, including purchased power. CPAU currently delivers about 32 million therms of natural gas per year to its retail customers and 6.6 million hundred cubic feet (CCF). Residential customers account for approximately 20% of annual electric sales, 53% of water sales and 50% of annual natural gas sales.

The City Council approved a Ten Year Energy Efficiency Plan on April 2007. This plan developed a number of goals to expand energy efficiency programs to meet the City's Climate Protection goals, support the Long Term Energy Acquisition Plan, the Gas Utility Long Term Plan, and state legislation mandating that energy efficiency be the first priority in seeking utility supply (SB1037 and AB2021). Pending legislation and/or local City requirements may also call for the reduction of water usage by 20% prior to the year 2020. As one way of expanding its energy efficiency and water conservations programs, as well as to assist customers in their ability to reduce utility usage, the City wishes to contract with one or more Contractors to provide comprehensive customized Home and Small Business Utility Usage Reports. A primary goal of this report is to increase customer awareness of their individual, family, and company energy and water usage, in particular when compared to peers, and, therefore, to motivate them in reducing electric, gas and water consumption. This Request for Proposal (RFP) seeks services from qualified providers of Home and Small Business Utility Usage Reports that are printed and mailed directly to residential and Small Business customers. CPAU plans to procure these services for a term of up to five years beginning in January 2010.

Background

Although an overwhelming majority of Palo Alto residents and companies want to be energy efficient and conserve water, most do not know whether they are successfully meeting these goals. At the same time, although CPAU has a long history of offering and marketing incentive programs and energy-saving tips to Palo Alto customers, there is potential for a substantial increase in participation from residential and small commercial customers through programs targeting behavioral changes. A Home and Small Business Utility Usage Report program will uniquely bridge this gap and deliver energy and water savings that have remained elusive.

CPAU desires to contract with a company that offers a turnkey service in providing a visually compelling, dynamically generated Home and Small Business Utility Usage Reports for each residential and small commercial customer. The Company providing this service shall employ expertise in behavioral science, direct marketing, data mining and dynamic reporting to implement the program. The reports shall be composed of carefully crafted modules that recommend particular savings measures based on usage patterns. These measures will be dynamically selected and individualized for each report, season of the year and customer usage type. The modules will be designed to work together to drive energy and water resource efficiency gains. The reports shall be printed and mailed to CPAU residential and small commercial customers by the Company or its subcontractor(s) on a regular schedule, as frequently as once per month, or on a billing period schedule to be determined in consultation with CPAU. The reports shall also be available for customer review in an on-line format. This information will be customized to each individual residential customer and compare the customer's energy and water usage with a demographically similar group of Palo Alto residents occupying similar housing stock (age, size). Customized reports will be developed for small business customers with similar facilities, operations and hours of operations.

Palo Alto constantly seeks innovative solutions. If the respondent wishes to submit an alternative for consideration, we encourage you to do so. In particular, while CPAU believes that these reports will start out by comparing metered electric, water and natural gas consumption, other non-metered, flat-fee City services such as refuse collection/recycling comparisons in the near term would be highly valued. Please submit the base bid per the scope of work outlined in this RFP and then provide a separate proposal outlining your alternative approach. This alternative should be complete with alternative scope and alternative costs.

Scope of Services

Time is of the essence for these services. The consultant selected from this RFP process will perform the tasks listed below. All work shall be performed under the administrative direction of a Project Lead appointed by CPAU.

Scope of Services

There are three key phases in the scope of services:

1. Configure technology platform, integrate CPAU data streams and design detailed rollout plan
2. Implement the program with utility customers
3. Report accomplishments

The consultant will be required to meet certain expectations, including, but not limited to:

Phase I: Program Development

Phase I includes technology platform configuration, design of the Home and Small Business Utility Usage Reports, data integration, development of roll-out plan including marketing/public education plan, training of CPAU staff and detailed quantification of details of program's goals and priorities.

The Company shall configure its technology platform for CPAU by performing the following measures:

- Purchase hardware if necessary & configure company servers for CPAU, based upon specifications required by the City's Information Technology (IT) group
- Establish secure, firewalled connection between Company servers and CPAU for private transmission of data, working with the City's IT group on specifications

The Company shall customize its Home Utility Usage Report offering for CPAU by doing the following:

- Customize look and feel of Home and Small Business Utility Usage Reports
- Integrate CPAU efficiency programs and rebates into Company-developed incentive offer and efficiency tip database for individualized message targeting
- Create new reporting modules designed to identify those customers who could best meet their environmental and/or utility efficiency goals through targeted marketing of CPAU PaloAltoGreen, solar water heating, solar electric (PV or Photovoltaic) and other renewable programs
- Include educational messages that encourage behavioral changes that lead to greater resource efficiency for energy, water, and, potentially, refuse and recycling

The Company shall integrate data and build database by performing the following steps:

- Parse and load initial meter reading data, historic account information/electric, water, and natural gas consumption data and rebate/purchase history data provided by CPAU
- Integrate and link CPAU data with Company's database, and include accessible third party data (e.g. housing data, GIS data, demographic data, climate and weather history, and other appropriate data that may be available such as number of residents in the home, number of small business employees, or size of property for landscaping, if these are available)
- Develop, in conjunction with CPAU, the technical protocol for ongoing transmission of CPAU monthly customer meter data to the Company's servers
- Cleanse data, including estimated utility billing data, ensuring accurate match between customer and third party data as well as over time
- Normalize cleansed data using heating and cooling degree days and billing periodicity

The Company shall provide customer service access to the platform:

- Create administrative accounts for CPAU customer service personnel and appropriate management
- Web-based or other appropriate access for information on individual customers

- Search capabilities by customer name and account number
- Access to historical reports for each customer throughout the program

The Company shall provide on-site strategic planning and implementation support and on-site training sessions for customer service staff.

CPAU shall provide the Company with a detailed list of existing residential and commercial efficiency programs including energy and water rebate programs, and work with the Company to prioritize existing efficiency programs for marketing and communication.

CPAU shall provide the Company with customer data including billing consumption, historical meter readings and rebate participation information where available. The Company will be required to sign a non-disclosure agreement with the City to authorize the release of customer data and to acknowledge that customer data is to only be used for the purposes of this work effort and for no other purpose by the Company or its affiliates. If, pursuant to any contract with Company, CPAU shares with Company personal information as defined in California Civil Code section 1798.81.5(d) about a California resident ("Personal Information"), Company shall maintain reasonable and appropriate security procedures to protect that Personal Information, and shall inform CPAU immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. Company shall not use Personal Information for direct marketing purposes without CPAU's express written consent."

Phase II: Implement and Run Customized Home Utility Usage Report Program

Although the final program will be developed in phase I in coordination with CPAU staff, the following is a description of the features of the Home and Small Business Utility Usage Report Program:

The Company shall provide, on a regular basis, visually compelling and dynamically generated Home Utility Usage Reports including, at a minimum, natural gas, water and electric comparisons for each residential or small commercial customer with his or her peers. The Company shall employ expertise in behavioral science, direct marketing, data mining and dynamic reporting to implement the program. The reports shall be composed of carefully crafted modules that are dynamically selected and individualized for each report and are designed to work together to drive energy efficiency gains. The reports shall be printed and mailed to CPAU residential and small commercial customers by the Company or its subcontractor(s) on a regular schedule as frequently as once per month, or on a schedule to be determined in consultation with CPAU. This information shall also be accessible on a secure website for customer use and CPAU staff access.

The reports shall be customized and individually tailored for each customer and utilize injunctive and norm-based messaging to reduce overall and peak consumption by encouraging behavior modification and motivating increased participation in existing programs as prioritized in Phase I.

The reports shall include a dynamically generated comparison of a customer's energy and water use to a relevant subset of the customer's neighbors, industry or homogenous demographic. Injunctive messaging shall be provided in conjunction with this monthly update information.

The Company shall visually represent each customer's electric, water and natural gas consumption on the reports in comparison to their historic consumption. The reports shall help customers visualize and understand the impact of their energy consumption on emissions and the environment and encourage participation in CPAU's renewable energy programs. Additionally, historical billing information shall be provided for the customer's electric, natural gas and water use, comparing against averages for the comparative demographic or industry group.

The reports shall also include tips or offers to help customers reduce overall and peak electricity consumption. The tips, to be prioritized in consultation with CPAU in Phase I and on an ongoing basis, should be dynamically generated on a seasonal basis and be targeted for each customer based on historic energy and water consumption, as well as available third party demographic, housing and other data. The Company shall run data mining and data-analysis algorithms to determine which tips are most likely to be effective for each customer.

The Company shall provide the option for CPAU to include third party offers, discounts and coupons either as perforated additions to the reports or as separate inserts.

Phase III: Reporting of Program Accomplishments

The Company shall use statistically sound methodologies to design a test and control structure for CPAU that will enable conclusive understanding of program achievements over time.

CPAU expects this program to produce reductions in energy and water use on the order of 3 to 5% overall. The reduction goals may differ by utility commodity. The savings will be calculated based on a 95% confidence level of results with error bars representing no more than + or -1% change in overall energy consumption.

CPAU requires that the reporting of program achievements meets the following criteria:

1. No selection bias: Once a target area is identified for the pilot, the area shall be divided randomly at a granular level into test and control segments.
2. The Program is agnostic to the specific behavioral action taken by individual customers, but reports on total behavioral impact.

The Company shall provide semi-annual reports to report program accomplishments. The report shall include the following:

- Analysis, including statistical significance, of change in electric, natural gas and water consumption among those customers in the Home and Small Business Utility Usage Reports program in comparison to a control group and to their historic consumption.
- Response rate for trackable actions taken by customers

- List of participation in efficiency programs (per customer, and total for time period)
- Comparison of participation rates in efficiency programs (rebates and special offers) and green programs among customers receiving Home and Small Business Utility Usage Reports and potentially against a control group who do not receive Home and Small Business Utility Usage Reports.
- Energy, water and cost savings (annual kilowatt hours [kWh], annual therms, annual gallons or hundred cubic feet [CCF], annual dollars per customer, and total for time period). Small Business customers may also include kW reductions reported by appropriate billing period.
- Cost per customer and total cost to CPAU for each reporting period

Alternate Proposal

Contractor may propose an alternate proposal which includes residential and/or small commercial reporting on garbage collection/recycling following the same procedures as for the electric, natural gas, and water reports discussed above. This alternate proposal may begin at the start of the program or sometime during the project.

Term of Contract

The term of the contract shall extend from the date of execution by the City Manager for a period of 24 months with the option to cancel after 12 months. The contract can be extended for up to three additional years or renegotiated to expand scope at the discretion of the City.

The City has not identified a specific budget for this project but, the estimated cost is \$200,000 for 2010 to perform the full scope of this project and is expecting the project cost will not exceed \$0.15 per first year saved kilowatt-hour. Targeted savings for all three utility commodities and costs of the program should be specified in proposals. The City would like the contractor's proposal to include pricing for monthly reports as well as quarterly reports.

The City may, at its option, amend the original contract for scope, time, and funding, subject to the continuing appropriation authority by the Palo Alto City Council.

All exceptions to the scope of work as outlined above should be clearly annotated.

Size of the initial sample population for bidding purposes will be 25,000.

CITY OF PALO ALTO CONTRACT NO.:
AGREEMENT BETWEEN THE CITY OF PALO ALTO AND
FOR PROFESSIONAL SERVICES
HOME ENERGY REPORTS

This AGREEMENT is entered into on this day of , 20 , by and between the CITY OF PALO ALTO, a California chartered municipal corporation ("CITY"), and , a , located at ("CONSULTANT").

RECITALS

The following recitals are a substantive portion of this Agreement.

- A. CITY intends to ("Project") and desires to engage a consultant to in connection with the Project ("Services").
- B. CONSULTANT has represented that it has the necessary professional expertise, qualifications, and capability, and all required licenses and/or certifications to provide the Services.
- C. CITY in reliance on these representations desires to engage CONSULTANT to provide the Services as more fully described in Exhibit "A", attached to and made a part of this Agreement.

NOW, THEREFORE, in consideration of the recitals, covenants, terms, and conditions, this Agreement, the parties agree:

AGREEMENT

SECTION 1. SCOPE OF SERVICES. CONSULTANT shall perform the Services described in Exhibit "A" in accordance with the terms and conditions contained in this Agreement. The performance of all Services shall be to the reasonable satisfaction of CITY.

SECTION 2. TERM.

The term of this Agreement shall be from the date of its full execution through completion of the services in accordance with the Schedule of Performance attached as Exhibit "B" unless terminated earlier pursuant to Section 19 of this Agreement.

SECTION 3. SCHEDULE OF PERFORMANCE. Time is of the essence in the performance of Services under this Agreement. CONSULTANT shall complete the Services within the term of this Agreement and in accordance with the schedule set forth in Exhibit "B", attached to and made a part of this Agreement. Any Services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the CONSULTANT. CITY's agreement to extend the term or the schedule for performance shall not preclude recovery of damages for delay if the extension is required due to the fault of CONSULTANT.

SECTION 4. NOT TO EXCEED COMPENSATION. The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit "A", including both payment for professional services and reimbursable expenses, shall not exceed Dollars (\$). In the event Additional Services are authorized, the total compensation for services and reimbursable expenses shall not exceed Dollars (\$). The applicable rates and schedule of payment are set out in Exhibit "C-1", entitled "HOURLY RATE SCHEDULE," which is attached to and made a part of this Agreement.

Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit "C". CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described in Exhibit "A".

SECTION 5. INVOICES. In order to request payment, CONSULTANT shall submit monthly invoices to the CITY describing the services performed and the applicable charges (including an identification of personnel who performed the services, hours worked, hourly rates, and reimbursable expenses), based upon the CONSULTANT's billing rates (set forth in Exhibit "C-1"). If applicable, the invoice shall also describe the percentage of completion of each task. The information in CONSULTANT's payment requests shall be subject to verification by CITY. CONSULTANT shall send all invoices to the City's project manager at the address specified in Section 13 below. The City will generally process and pay invoices within thirty (30) days of receipt.

SECTION 6. QUALIFICATIONS/STANDARD OF CARE. All of the Services shall be performed by CONSULTANT or under CONSULTANT's supervision. CONSULTANT represents that it possesses the professional and technical personnel necessary to perform the Services required by this Agreement and that the personnel have sufficient skill and experience to perform the Services assigned to them. CONSULTANT represents that it, its employees and subconsultants, if permitted, have and shall maintain during the term of this Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform the Services.

All of the services to be furnished by CONSULTANT under this agreement shall meet the professional standard and quality that prevail among professionals in the same discipline and of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

SECTION 7. COMPLIANCE WITH LAWS. CONSULTANT shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this Agreement. CONSULTANT shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

SECTION 8. ERRORS/OMISSIONS. CONSULTANT shall correct, at no cost to CITY, any and all errors, omissions, or ambiguities in the work product submitted to CITY, provided CITY gives notice to CONSULTANT. If CONSULTANT has prepared plans and specifications or other design documents to construct the Project, CONSULTANT shall be obligated to correct any and all errors, omissions or ambiguities discovered prior to and during the course of construction of the Project. This obligation shall survive termination of the Agreement.

SECTION 9. COST ESTIMATES. If this Agreement pertains to the design of a public works project, CONSULTANT shall submit estimates of probable construction costs at each phase of design submittal. If the total estimated construction cost at any submittal exceeds ten percent (10%) of the CITY's stated construction budget, CONSULTANT shall make recommendations to the CITY for aligning the PROJECT design with the budget, incorporate CITY approved recommendations, and revise the design to meet the Project budget, at no additional cost to CITY.

SECTION 10. INDEPENDENT CONTRACTOR. It is understood and agreed that in performing the Services under this Agreement CONSULTANT, and any person employed by or contracted with CONSULTANT to furnish labor and/or materials under this Agreement, shall act as and be an independent contractor and not an agent or employee of the CITY.

SECTION 11. ASSIGNMENT. The parties agree that the expertise and experience of CONSULTANT are material considerations for this Agreement. CONSULTANT shall not assign or transfer any interest in this Agreement nor the performance of any of CONSULTANT's obligations hereunder without the prior written consent of the city manager. Consent to one assignment will not be deemed to be consent to any subsequent assignment. Any assignment made without the approval of the city manager will be void.

SECTION 12. SUBCONTRACTING.

CONSULTANT shall not subcontract any portion of the work to be performed under this Agreement without the prior written authorization of the city manager or designee.

CONSULTANT shall be responsible for directing the work of any subconsultants and for any compensation due to subconsultants. CITY assumes no responsibility whatsoever concerning compensation. CONSULTANT shall be fully responsible to CITY for all acts and omissions of a subconsultant. CONSULTANT shall change or add subconsultants only with the prior approval of the city manager or his designee.

SECTION 13. PROJECT MANAGEMENT. CONSULTANT will assign _____ as the _____ to have supervisory responsibility for the performance, progress, and execution of the Services and

as the project to represent CONSULTANT during the day-to-day work on the Project. If circumstances cause the substitution of the project director, project coordinator, or any other key personnel for any reason, the appointment of a substitute project director and the assignment of any key new or replacement personnel will be subject to the prior written approval of the CITY's project manager. CONSULTANT, at CITY's request, shall promptly remove personnel who CITY finds do not perform the Services in an acceptable manner, are uncooperative, or present a threat to the adequate or timely completion of the Project or a threat to the safety of persons or property.

The City's project manager is Joyce Kinnear, Utilities Department, Marketing Services Division, 250 Hamilton Avenue, Palo Alto, CA 94303, Telephone: (650)329-2652. The project manager will be CONSULTANT's point of contact with respect to performance, progress and execution of the Services. The CITY may designate an alternate project manager from time to time.

SECTION 14. OWNERSHIP OF MATERIALS. Upon delivery, all work product, including without limitation, all writings, drawings, plans, reports, specifications, calculations, documents, other materials and copyright interests developed under this Agreement shall be and remain the exclusive property of CITY without restriction or limitation upon their use. CONSULTANT agrees that all copyrights which arise from creation of the work pursuant to this Agreement shall be vested in CITY, and CONSULTANT waives and relinquishes all claims to copyright or other intellectual property rights in favor of the CITY. Neither CONSULTANT nor its contractors, if any, shall make any of such materials available to any individual or organization without the prior written approval of the City Manager or designee. CONSULTANT makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the scope of work.

SECTION 15. AUDITS. CONSULTANT will permit CITY to audit, at any reasonable time during the term of this Agreement and for three (3) years thereafter, CONSULTANT's records pertaining to matters covered by this Agreement. CONSULTANT further agrees to maintain and retain such records for at least three (3) years after the expiration or earlier termination of this Agreement.

SECTION 16. INDEMNITY.

16.1. To the fullest extent permitted by law, CONSULTANT shall protect, indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an "Indemnified Party") from and against any and all demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorneys fees, experts fees, court costs and disbursements ("Claims") resulting from, arising out of or in any manner related to performance or nonperformance by CONSULTANT, its officers, employees, agents or contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party.

16.2. Notwithstanding the above, nothing in this Section 16 shall be construed to require CONSULTANT to indemnify an Indemnified Party from Claims arising from the active negligence, sole negligence or willful misconduct of an Indemnified Party.

16.3. The acceptance of CONSULTANT's services and duties by CITY shall not

operate as a waiver of the right of indemnification. The provisions of this Section 16 shall survive the expiration or early termination of this Agreement.

SECTION 17. WAIVERS. The waiver by either party of any breach or violation of any covenant, term, condition or provision of this Agreement, or of the provisions of any ordinance or law, will not be deemed to be a waiver of any other term, covenant, condition, provisions, ordinance or law, or of any subsequent breach or violation of the same or of any other term, covenant, condition, provision, ordinance or law.

SECTION 18. INSURANCE.

18.1. CONSULTANT, at its sole cost and expense, shall obtain and maintain, in full force and effect during the term of this Agreement, the insurance coverage described in Exhibit "D". CONSULTANT and its contractors, if any, shall obtain a policy endorsement naming CITY as an additional insured under any general liability or automobile policy or policies.

18.2. All insurance coverage required hereunder shall be provided through carriers with AM Best's Key Rating Guide ratings of A-:VII or higher which are licensed or authorized to transact insurance business in the State of California. Any and all contractors of CONSULTANT retained to perform Services under this Agreement will obtain and maintain, in full force and effect during the term of this Agreement, identical insurance coverage, naming CITY as an additional insured under such policies as required above.

18.3. Certificates evidencing such insurance shall be filed with CITY concurrently with the execution of this Agreement. The certificates will be subject to the approval of CITY's Risk Manager and will contain an endorsement stating that the insurance is primary coverage and will not be canceled, or materially reduced in coverage or limits, by the insurer except after filing with the Purchasing Manager thirty (30) days' prior written notice of the cancellation or modification, CONSULTANT shall be responsible for ensuring that current certificates evidencing the insurance are provided to CITY's Purchasing Manager during the entire term of this Agreement.

18.4. The procuring of such required policy or policies of insurance will not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions of this Agreement. Notwithstanding the policy or policies of insurance, CONSULTANT will be obligated for the full and total amount of any damage, injury, or loss caused by or directly arising as a result of the Services performed under this Agreement, including such damage, injury, or loss arising after the Agreement is terminated or the term has expired.

SECTION 19. TERMINATION OR SUSPENSION OF AGREEMENT OR SERVICES.

19.1. The city manager may suspend the performance of the Services, in whole or in part, or terminate this Agreement, with or without cause, by giving ten (10) days prior written notice thereof to CONSULTANT. Upon receipt of such notice, CONSULTANT will immediately discontinue its performance of the Services.

19.2. CONSULTANT may terminate this Agreement or suspend its performance of the Services by giving thirty (30) days prior written notice thereof to CITY, but only in the event of a substantial failure of performance by CITY.

19.3. Upon such suspension or termination, CONSULTANT shall deliver to the City Manager immediately any and all copies of studies, sketches, drawings, computations, and other data, whether or not completed, prepared by CONSULTANT or its contractors, if any, or given to CONSULTANT or its contractors, if any, in connection with this Agreement. Such materials will become the property of CITY.

19.4. Upon such suspension or termination by CITY, CONSULTANT will be paid for the Services rendered or materials delivered to CITY in accordance with the scope of services on or before the effective date (i.e., 10 days after giving notice) of suspension or termination; provided, however, if this Agreement is suspended or terminated on account of a default by CONSULTANT, CITY will be obligated to compensate CONSULTANT only for that portion of CONSULTANT's services which are of direct and immediate benefit to CITY as such determination may be made by the City Manager acting in the reasonable exercise of his/her discretion

19.5. No payment, partial payment, acceptance, or partial acceptance by CITY will operate as a waiver on the part of CITY of any of its rights under this Agreement.

SECTION 20. NOTICES.

All notices hereunder will be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

To CITY: Office of the City Clerk
 City of Palo Alto
 Post Office Box 10250
 Palo Alto, CA 94303

With a copy to the Purchasing Manager
To CONSULTANT: Attention of the project director
 at the address of CONSULTANT recited above

SECTION 21. CONFLICT OF INTEREST.

21.1. In accepting this Agreement, CONSULTANT covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services.

21.2. CONSULTANT further covenants that, in the performance of this Agreement, it will not employ subconsultants, contractors or persons having such an interest. CONSULTANT certifies that no person who has or will have any financial interest under this Agreement is an officer or employee of CITY; this provision will be interpreted in accordance with the applicable provisions of the Palo Alto Municipal Code and the Government Code of the State of California.

Professional Services
Rev. September 2009

21.3. If the Project Manager determines that CONSULTANT is a "Consultant" as that term is defined by the Regulations of the Fair Political Practices Commission, CONSULTANT shall be required and agrees to file the appropriate financial disclosure documents required by the Palo Alto Municipal Code and the Political Reform Act.

SECTION 22. NONDISCRIMINATION. As set forth in Palo Alto Municipal Code section 2.30.510, CONSULTANT certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person. CONSULTANT acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and agrees to meet all requirements of Section 2.30.510 pertaining to nondiscrimination in employment.

SECTION 23. ENVIRONMENTALLY PREFERRED PURCHASING. The City of Palo Alto is a green business and works to purchase and provide products in an environmentally sustainable manner. CONSULTANT will use production methods that reduce waste and environmentally toxic products, as well as have less packaging. CONSULTANT will adhere to the standard that printed materials will be, at a minimum, printed on 30% post consumer recycled paper with vegetable based ink. The designer will check with the project manager to discuss the maximum recycled content paper available for each project. FSC (Forest Stewardship Council) certified paper that is "process free" is preferred. CONSULTANT will use methods that reduce energy use and thus the carbon footprint for the development, production and delivery of products. CONSULTANT shall adhere to the City's Environmentally Preferred Purchasing policies as may be amended from time to time.

SECTION 24. MISCELLANEOUS PROVISIONS.

24.1. This Agreement will be governed by the laws of the State of California.

24.2. In the event that an action is brought, the parties agree that trial of such action will be vested exclusively in the state courts of California in the County of Santa Clara, State of California.

24.3. The prevailing party in any action brought to enforce the provisions of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with that action. The prevailing party shall be entitled to recover an amount equal to the fair market value of legal services provided by attorneys employed by it as well as any attorneys' fees paid to third parties.

24.4. This document represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations, and contracts, either written or oral. This document may be amended only by a written instrument, which is signed by the parties.

24.5. The covenants, terms, conditions and provisions of this Agreement will apply

to, and will bind, the heirs, successors, executors, administrators, assignees, and consultants of the parties.

24.6. If a court of competent jurisdiction finds or rules that any provision of this Agreement or any amendment thereto is void or unenforceable, the unaffected provisions of this Agreement and any amendments thereto will remain in full force and effect.

24.7. All exhibits referred to in this Agreement and any addenda, appendices, attachments, and schedules to this Agreement which, from time to time, may be referred to in any duly executed amendment hereto are by such reference incorporated in this Agreement and will be deemed to be a part of this Agreement.

24.8. This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This Section 24.8 shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.

24.9. The individuals executing this Agreement represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

24.10 If, pursuant to this contract with CONSULTANT, City shares with CONSULTANT personal information as defined in California Civil Code section 1798.81.5(d) about a California resident ("Personal Information"), CONSULTANT shall maintain reasonable and appropriate security procedures to protect that Personal Information, and shall inform City immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. CONSULTANT shall not use Personal Information for direct marketing purposes without City's express written consent.

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement on the date first above written.

CITY OF PALO ALTO

CONSULTANT

City Manager or Designee

By: _____

Name: _____

APPROVED AS TO FORM:

Title: _____

Senior Asst. City Attorney

Attachment E
SAMPLE TABLE FORMAT
QUALIFICATIONS OF FIRM RELATIVE TO CITY'S NEEDS

Project Name	Client	Description of work performed	Total Project Cost	Percentage of work firm as responsible for	Period work was completed	Client contact information*
Did your firm meet the project schedule (Circle one) : Yes No Give a brief statement of the firm's adherence to the schedule and budget for the project:						
Did your firm meet the project schedule (Circle one) : Yes No Give a brief statement of the firm's adherence to the schedule and budget for the project:						
Did your firm meet the project schedule (Circle one) : Yes No Give a brief statement of the firm's adherence to the schedule and budget for the project:						
Did your firm meet the project schedule (Circle one) : Yes No Give a brief statement of the firm's adherence to the schedule and budget for the project:						

*Include name, title and phone number.

Attachment F
Cost Proposal Format

Scope	Categories	Est. Hours	Hourly Rate	Extended Rate
Phase I – configure technology platform, intergrate CPAU data streams and design detailed rollout plan			\$	\$
TOTAL NOT TO EXCEED, PHASE 1				\$
Phase II Implement and Run Customized Home Usage Report Program			\$	\$
TOTAL NOT TO EXCEED, PHASE 2				\$
Phase III Reporting of Program Accomplishments			\$	\$
TOTAL NOT TO EXCEED, PHASE 3				\$
TOTAL NOT EXCEED FOR PHASES 1 - 3				\$

Attachment "G"
INSURANCE REQUIREMENTS

CONTRACTORS TO THE CITY OF PALO ALTO (CITY), AT THEIR SOLE EXPENSE, SHALL FOR THE TERM OF THE CONTRACT OBTAIN AND MAINTAIN INSURANCE IN THE AMOUNTS FOR THE COVERAGE SPECIFIED BELOW, **AFFORDED BY COMPANIES WITH AM BEST'S KEY RATING OF A-:VII, OR HIGHER, LICENSED OR AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF CALIFORNIA.**

AWARD IS CONTINGENT ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS, AS SPECIFIED, BELOW:

REQUIRED	TYPE OF COVERAGE	REQUIREMENT	MINIMUM LIMITS	
			EACH OCCURRENCE	AGGREGATE
YES YES	WORKER'S COMPENSATION EMPLOYER'S LIABILITY	STATUTORY STATUTORY		
YES	GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY	BODILY INJURY	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY & PROPERTY DAMAGE COMBINED.	\$1,000,000	\$1,000,000
YES	AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED	BODILY INJURY	\$1,000,000	\$1,000,000
		- EACH PERSON	\$1,000,000	\$1,000,000
		- EACH OCCURRENCE	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY AND PROPERTY DAMAGE, COMBINED	\$1,000,000	\$1,000,000
	PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE			
		ALL DAMAGES	\$1,000,000	
YES	THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED: CONTRACTOR, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY CONTRACTOR AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS' COMPENSATION, EMPLOYER'S LIABILITY AND PROFESSIONAL INSURANCE, NAMING AS ADDITIONAL INSURED CITY, ITS COUNCIL MEMBERS, OFFICERS, AGENTS, AND EMPLOYEES.			

I. INSURANCE COVERAGE MUST INCLUDE:

- A. A PROVISION FOR A WRITTEN THIRTY DAY ADVANCE NOTICE TO CITY OF CHANGE IN COVERAGE OR OF COVERAGE CANCELLATION; AND
- B. A CONTRACTUAL LIABILITY ENDORSEMENT PROVIDING INSURANCE COVERAGE FOR CONTRACTOR'S AGREEMENT TO INDEMNIFY CITY.
- C. DEDUCTIBLE AMOUNTS IN EXCESS OF \$5,000 REQUIRE CITY'S PRIOR APPROVAL.

II. CONTACTOR MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE.

III. ENDORSEMENT PROVISIONS, WITH RESPECT TO THE INSURANCE AFFORDED TO "ADDITIONAL INSURED"

A. PRIMARY COVERAGE

WITH RESPECT TO CLAIMS ARISING OUT OF THE OPERATIONS OF THE NAMED INSURED, INSURANCE AS AFFORDED BY THIS POLICY IS PRIMARY AND IS NOT ADDITIONAL TO OR CONTRIBUTING WITH ANY OTHER INSURANCE CARRIED BY OR FOR THE BENEFIT OF THE ADDITIONAL INSURED.

B. CROSS LIABILITY

Attachment "G"
INSURANCE REQUIREMENTS

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSURED UNDER THE POLICY SHALL NOT, FOR THAT REASON ALONE, EXTINGUISH ANY RIGHTS OF THE INSURED AGAINST ANOTHER, BUT THIS ENDORSEMENT, AND THE NAMING OF MULTIPLE INSURED, SHALL NOT INCREASE THE TOTAL LIABILITY OF THE COMPANY UNDER THIS POLICY.

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A THIRTY (30) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.
2. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR THE NON-PAYMENT OF PREMIUM, THE ISSUING COMPANY SHALL PROVIDE CITY AT LEAST A TEN (10) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

NOTICES SHALL BE MAILED TO:

**PURCHASING AND
CONTRACT ADMINISTRATION
CITY OF PALO ALTO
P.O. BOX 10250
PALO ALTO, CA 94303.**