

REQUEST FOR PROPOSALS (RFP)
FOR
BENEFITS CONSULTING SERVICES

As Requested by

THE CITY OF RIO RANCHO, NEW MEXICO



RFP No. 09-AD-11

RFP SUBMITTAL DUE DATE: August 10, 2009

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1. INTRODUCTION; BACKGROUND

The City of Rio Rancho (the "City") is seeking proposals from qualified firms (the "Offeror" or "Contractor") to provide consulting services for group insurance benefits. The City wishes to solicit an RFP for all of its group employee insurance policies and seeks aid in drafting and administering such document and analyzing proposals received.

The City currently has over 600 employees enrolled in its benefits program and bears much of the cost of these benefits, paying 80% of the premium for healthcare, dental, retiree health, and basic life insurance. Other programs, including enhanced life, long-term disability, and legal services, are paid for entirely by the employees who opt to participate.

Attached hereto as Exhibit A, is a summary of the insurance policies and benefits programs currently in effect. Such summary includes participation rates and premiums, and a detailed breakdown of the distribution of the cost borne in the previous fiscal year, between the City and its employees.

2. PROPOSALS REQUIREMENTS AND SUBMISSION INSTRUCTIONS TO OFFERORS

- 2.1 Due Date.** Proposal due date: August 10, 2009, at 2:00 p.m. local time. Proposals for the project will be received by the City Clerk's Office, City of Rio Rancho, City Hall, 3200 Civic Center Circle, Rio Rancho, New Mexico 87144.
- 2.2 Number of Copies.** Submit 1 Original and 5 copies of your proposal in a sealed envelope or container.
- 2.3 Sealed package.** Technical Proposals must be submitted in a sealed package or envelope listing the following information on the outside:

**RFP Title:
Consulting Services for Group Benefit Insurance
RFP 09-AD-11**

- 2.4 Point of Contact.** This Request for Proposals (RFP) is issued by the City of Rio Rancho, Department of Financial Services, which is the sole point of contact during the procurement process. Communications initiated by respondents to this RFP (the "Offeror") with members of the Governing Body or City personnel, other than as coordinated by the Point of Contact, shall be grounds for Offeror disqualification. Any inquiries or requests during this procurement shall be submitted to the following Point of Contact in writing:

City of Rio Rancho
Department of Financial Services
Attention: Steve Ruger, Contracts Administrator
3200 Civic Center Circle NE
Rio Rancho, New Mexico 87144
(505) 896-8763
sruger@ci.rio-rancho.nm.us

3. TERM/CONTRACT

While negotiable, the City intends to enter into a one (1) year contract with the option to renew for three additional years thereafter. A copy of the proposed contract is attached hereto as Appendix A. All exceptions or issues with this document should be noted in your proposal.

4. SCOPE OF WORK

4.1 The Contractor shall analyze the current City benefit contracts and provide a report indentifying areas where cost savings may be realized and areas that may be lacking to the City.

4.2 The Contractor shall assist the City in all aspects of RFP development, administration, and proposal evaluation as it relates to employee benefits, as described in Section 4.3 below.

4.3 **Project Planning Timeline.** The following is the City's tentative timeline for this project*:

September 1, 2009 – Report, as described in 4.1 above, due to the City.

September 11, 2009 - Contractor's initial draft of benefits RFP due to the City

September 15, 2009 - Final comments from City on draft RFP submitted to Contractor

September 18, 2009 – RFP finalized and submitted to City Manager for approval

October 6, 2009 – RFP advertised and released to public

November 13, 2009 – Proposals due to the City/Contractor

November 20, 2009 – The evaluation committee will recommend award of contract(s)

November 23, 2009 - Contract negotiations begin with benefit providers

December 4, 2009 - Contracts executed with benefit provider

December 11, 2009 - Open enrollment in new plans begins for City employees

January 11, 2009 - Open enrollment ends

February 1, 2009 - New policies go into effect

***This proposed timeline is for demonstrative purposes. The final timeline will be negotiated with the chosen respondent at time of contract execution.**

4.4 In addition, the Contractor shall provide policy guidance and contract analysis in the months and, subject to contract renewal, years, following implementation of the initial group insurance policies.

4.5 The Contractor may be asked to make technical presentations outlining the City's policy and budgetary options to the City Council, as requested by the City Manager.

- 4.6 The Contractor shall train City staff on the structure of benefits and awarded contracts including the most effective utilization of those benefits for individual employees. The Contractor shall assist the City's Human Resources Department in presenting benefit options to employees and be available to clarify any technical issues that may arise.
- 4.7 Additional services may include, but not be limited to, advise and consultation relating to the following:
 - 4.7.1 COBRA administration
 - 4.7.2 Short-term disability programs
 - 4.7.3 Advise on electronic enrollment service bureaus or other approaches to reducing the administrative burden of open enrollment
 - 4.7.4 Cafeteria Plans
 - 4.7.5 Wellness programs that have measurable and demonstrable effectiveness on reduction in health care costs
 - 4.7.6 Strategizing to reduce workers compensation medical and disability income payments
 - 4.7.7 Coordinating benefits among divergent carriers, esp. Medicare.
 - 4.7.8 Other related issues that may arise from time to time.

5. TECHNICAL PROPOSAL

As the City shall evaluate all of the proposals on the same basis, it is required that your proposal conforms in all respects to the specifications outlined in this RFP. If the policy of your company prevents you from submitting a proposal on the basis of any of the specifications or assumptions, you may submit it on a basis that is in accordance with your policy. In such a case, however, a statement of your reasons for such deviation must be included with a listing of all deviations. The City reserves the right to accept or reject any or all proposals.

Provide one original and five copies of your Proposal. It is required that the proposal:

- 5.1 Be limited to a maximum length of thirty (30) pages, including any appendices.
- 5.2 Include a cover letter summarizing why the Offeror is interested in this project. A party authorized to bind the entity submitting the proposal, as well as the Offeror's project manager, must sign the cover letter. The cover letter should include the following points:
 - 5.2.1 Identity of Offeror including central address and telephone number.
 - 5.2.2 A Statement that the proposal is effective for 30 days from proposal due date.
 - 5.2.3 A Statement that the Offeror will comply with all terms and conditions as stated in this RFP; or identification of any exceptions taken to any of the requirements including the contract attached hereto as Appendix A.
 - 5.2.4 A brief list of any pending, settled, tried, or other litigation the firm has been involved in

for the past five (5) years, with a description of the case(s) and their current status, if applicable.

- 5.2.5 Date of incorporation (Gross Receipt Registration if not incorporated) in New Mexico.
- 5.3 Be prefaced by a brief statement describing the Offeror's organization and outlining its approach to completing the work required by this solicitation. This statement shall illustrate the Offeror's overall understanding of the project.
- 5.4 Contain a work plan that concisely explains how the Offeror will carry out the objectives of the project. In the work plan, the Offeror shall describe staffing and proposed approach to the work as clearly and thoroughly as possible. Resumes may be provided in this section.
- 5.5 Include Offeror's recent experience (past five years) in performing work similar to that anticipated herein. **(Please note that preference will be given to providers who have experience in municipal benefit plans and who have worked with organizations of similar size to the City of Rio Rancho.)** This description shall include the following:
 - 5.5.1 Date of project
 - 5.5.2 Name and address of client organization
 - 5.5.3 Name and telephone number of individual in the client organization who is familiar with the project
 - 5.5.4 Short description of project
 - 5.5.5 A description of any cost savings, other successes, or challenges.
- 5.6 A listing of relevant licenses/certifications held by the firm or its employees.
- 5.7 Documentation of any potential conflicts of interest. A conflict of interest shall be cause for disqualifying an Offeror from consideration. A potential conflict of interest includes, but is not limited to:
 - 5.7.1 Accepting an assignment where duty to the client would conflict with the Offeror's personal interest, or interest of another client.
 - 5.7.2 Performing work for a client or having an interest which conflicts with this RFP.

6. COST PROPOSAL

The cost proposal shall contain the following information:

- 6.1.** Identify your method of determining the cost for these services (i.e. hourly, lump sum, etc).
 - 6.1.1. **For lump sum.** Provide your lump sum proposed amount.
 - 6.1.2. **For hourly billing.** Hourly billing rates for all labor categories, which will be performing work under this Agreement (e.g. principals, associates, clerical, etc.). All

principals must be identified.

6.2. All reimbursable items (e.g., postage, long distance communications, etc.).

7. EVALUATION OF PROPOSALS

The proposals will be evaluated in the following areas:

EVALUATION CRITERIA		POINTS POSSIBLE
(1)	Overall understanding of the project (Section 5.3).	15
(2)	Ability to undertake the work described herein – adequate qualified staffing, etc. (Section 5.4)	20
(3)	Experience of the firm. Note: employees' individual experience, as shown on individual resumes, may meet the requirements of this criterion. (Section 5.5)	25
(4)	Experience working with organizations of similar size. (Section 5.5)	10
(5)	Experience working with municipal governments (Section 5.5)	20
(6)	Licenses/Certifications held by the firm or its employees (Section 5.6)	5
(7)	Quality and clarity of proposal.	5
TOTAL		100

8. FORMAT FOR RESPONSES

8.1 GENERAL INSTRUCTIONS

- 8.1.1 Proposals shall be prepared simply and economically, providing a straightforward, concise description of the Offeror's ability to meet the requirements of this RFP. Emphasis shall be on the quality, completeness, clarity of content, responsiveness to the requirements, and an understanding of City's objectives.
- 8.1.2 Offerors shall carefully read the information contained in this RFP and submit a complete response to all requirements and questions as directed. Incomplete proposals will be considered non-responsive and subject to rejection.
- 8.1.3 Proposals and any other information submitted by Offerors in response to this RFP shall become the property of the City.
- 8.1.4 Offerors shall prepare and develop proposals at the sole cost and expense of the Offeror.
- 8.1.5 Proposals that are qualified with conditional clauses, alterations, items not called for in the RFP documents, or irregularities of any kind are subject to rejection by the City, at its option.

- 8.1.6 The City makes no representations of any kind that an award of contract will be made as a result of this RFP, or subsequent RFP. The City reserves the right to accept or reject any or all proposals, waive any formalities or minor technical inconsistencies, and/or delete any item/requirements from this RFP when deemed to be in City's best interest.
- 8.1.7 Proposals shall consist of answers to questions or requirements identified in this RFP. It is not necessary to repeat the question in the proposals; however, it is essential to reference the question number with the corresponding answer.
- 8.1.8 Failure to comply with all requirements contained in this RFP may result in the rejection of proposal.
- 8.1.9 Receipt of an addendum of the RFP by an Offeror must be acknowledged either: (a) by signing and returning the addendum by fax, mail or hand delivery; or (b) submitting the signed addendum with your proposal. If not submitted with your proposal, this acknowledgment must be received prior to the hour and date specified for receipt of proposals.
- 8.1.10 A proposal may be modified or withdrawn in person at any time BEFORE the scheduled due date and time of proposals provided a receipt for the withdrawn proposal is signed by the Offeror's authorized representative. The City reserves the right to request proof of authorization to withdraw a proposal.

8.2 PAGE SIZE, BINDING, DIVIDERS, AND TABS

- 8.2.1 Proposals shall be printed on letter-size (8-1/2" x 11") paper and assembled with spiral or comb-type bindings or staples. Graphics incorporated into the proposal may exceed the paper-size requirement.
- 8.2.2 Proposals should not exceed the page limit described herein.
- 8.2.3 The Offeror may submit additional attachments, but only the responses provided by the Offeror to the questions identified in this RFP will be used by the City for evaluation.

8.3 TABLE OF CONTENTS

- 8.3.1 Proposals shall include a "Table of Contents" and give page numbers for each section of the proposals.

8.4 SUBMISSION OF PROPOSAL

- 8.4.1 **Time:** Proposals not received by the time and date indicated on this RFP will not be accepted.
- 8.4.2 **Hand Carried:** Proposals may be hand carried to the City Clerk's Office located in City Hall, 3200 Civic Center Circle NE, Rio Rancho, New Mexico 87144.
- 8.4.3 **Mail / FedEx / UPS / etc.:** Proposals may be mailed or shipped to the attention of the City Clerk's Office, City of Rio Rancho, 3200 Civic Center Circle NE, Rio Rancho, New Mexico, 87144. The City shall not be responsible for proposals that are mailed or shipped and not received by the opening date and time specified in this RFP.

8.4.4 **Receipts:** Receipts for hand delivered proposals shall be issued by the City Clerk's Office (upon request) for proposals that are hand carried.

8.4.5 **No Other Methods of Proposal Delivery:** Neither telephone, telegraphic, nor facsimile proposal shall be accepted.

9. MISCELLANEOUS INFORMATION

9.1 **Public information.** All information, documentation, and other materials submitted in response to this solicitation are considered non-confidential and/or non-proprietary and are subject to public disclosure after the solicitation is completed.

9.2 **City's Reservation of Rights.** The City may evaluate the proposals based on the anticipated completion of all or any portion of the project. The City reserves the right to divide the project into multiple parts, to reject any and all proposals and re-solicit for new proposals, or to reject any and all proposals and temporarily or permanently abandon the project. The City makes no representations, written or oral, that it will enter into any form of agreement with any Offeror to this RFP for any project and no such representation is intended or should be construed by the issuance of this RFP.

9.3 **Clarification.** The City may, in the evaluation of proposals, request clarification from Offerors regarding their proposals, obtain additional material or literature, and pursue other avenues of research as necessary to ensure that a thorough evaluation is conducted.

9.4 **Acceptance of Evaluation Methodology.** By submitting a proposal in response to this RFP, the Offeror accepts the evaluation process and acknowledges and accepts that determination will require subjective judgments by the City.

9.5 **No Reimbursement for Cost.** Offeror acknowledges and accepts that any costs incurred from the Offeror's participation in this RFP process shall be at the sole risk and responsibility of the Offeror. Offerors submit proposals at their own risk and expense.

9.6 **Ethical Conduct.** The City of Rio Rancho expects the highest level of ethical conduct from Offerors including adherence to all applicable laws and local ordinances regarding ethical behavior.

9.7 **Right to Terminate Negotiations.** If an agreement cannot be made with the highest scoring Offeror, City reserves the right to terminate negotiations with that party and enter into negotiations with the next highest qualified Offeror.

9.8 **Presentations.** Finalists in the selection process may be asked to attend an interview once the RFP process is complete. The finalists may be asked to confirm their proposal via a presentation to the City.

9.9 **Modification.** Offers may be modified by written notice provided such notice is received prior to the hour and the date specified for receipt of offers.

9.10 **Local and Resident Preference.** A preference of up to five percent (5%) may be afforded an Offeror who qualifies as a Local Offeror in accordance with the City's Procurement Code. Preference will be applied in accordance with the provisions of the city's Procurement Code in the following priority: (1) Local businesses; and (2) Resident businesses. A maximum preference of five percent (5%) will be afforded any one offer,

and is added to the Evaluation Score. Procurement Code. Information regarding the City's Procurement Code and the application of the local and resident preference can be obtained by contacting the Point of Contact as listed herein. For consideration for the local preference, the Offeror must complete the Resident/Local Preference Certification Form, attached hereto, in accordance with the instructions and return the form with its Technical Proposal.

- 9.11 **Acceptance of Proposals.** Acceptance of proposal is contingent upon the Offeror's certification and agreement by submittal of its offer, to comply and act in accordance with all provisions of the City Procurement Code.
- 9.12 **Requests for Explanations by Offerors.** Any explanation desired by the Offeror regarding the meaning or interpretation of specifications or any part of this Request must be requested in writing and received in the Financial Service Office not less than seven (7) calendar days prior to due date of proposals. Oral explanations or instructions given prior to the opening of the offer shall not be binding. The Financial Services Office shall issue any official explanations in writing.

RESIDENT/LOCAL PREFERENCE CERTIFICATION FORM

BUSINESS NAME: _____

PRINCIPAL PLACE
OF BUSINESS: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

A five percent (5%) preference may be afforded an Offeror who qualifies as a local Offeror in accordance with the City's Procurement Code.

Preference will be applied in accordance with the provisions of the City's Procurement Code in the following priority: (1) Local Manufacturers of product offered; (2) Local Businesses; (3) Resident Manufacturers of product offered; and (4) Resident Businesses. A maximum preference of five percent (5%) will be afforded any one offer.

BASIS FOR PREFERENCE:

Local Business or Local Manufacturer means a business or manufacturer which:

1. is authorized to do and is doing business under the laws of the State of New Mexico;
2. possesses a current City business registration;
3. maintains its principal place of business within the corporate limits of the City;
4. agrees to furnish evidence, IF REQUESTED, in a form suitable to the City, of its payment of New Mexico Gross Receipts Tax.

Resident Business means one which is authorized to do and is doing business under the laws of the State of New Mexico and:

1. which maintains its principal place of business in the state; or
2. is a public telecommunications provider as defined in the New Mexico Telecommunications Act (63A-1 to 63-9A-20 NMSA 1978), and it has five (5) or more employees who are residents of the state.

Resident Manufacturer means a person who offers materials grown, produced, processed or manufactured wholly in the state.

TYPE OF PREFERENCE CLAIMED:

(check all that apply)

LOCAL MANUFACTURER: _____

LOCAL BUSINESS: _____

RESIDENT MANUFACTURER: _____

RESIDENT BUSINESS: _____

CITY OF RIO RANCHO BUSINESS REGISTRATION NUMBER: _____

(Must be provided if claiming Local Business or Local Manufacturer Preference)

CERTIFICATION: I hereby certify that the information which I have provided on this form is true and correct, that I am authorized to sign on behalf of the business set out above and if requested by the City will provide, within 10 days of notice, the necessary documents to substantiate the information provided on this form.

By: _____

Title: _____ Date: _____

YOU MUST RETURN THIS FORM WITH YOUR OFFER TO CLAIM PREFERENCE



**CITY OF RIO RANCHO
DEPARTMENT OF FISCAL SERVICES**

RFP NO. 09-AD-11

ACKNOWLEDGMENT FORM

Please complete this form and return it to the City of Rio Rancho Financial Services Department. Failure to return this form will not exclude a firm from submitting a proposal; however, only those prospective respondents who elect to return this form will receive addenda, if issued, and/or other information pertaining to this solicitation.

Name of Firm: _____

Firm Representative: _____

Title: _____

Phone: _____ **Fax:** _____

E-Mail: _____

Address: _____

City: _____ **State:** _____ **Zip:** _____

When completed, please fax or mail this form to the following contact:

STEVE RUGER, CONTRACTS ADMINISTRATOR
CITY OF RIO RANCHO
DEPARTMENT OF FINANCIAL SERVICES
3200 CIVC CENTER CIRCLE
RIO RANCHO, NM 87144
Phone: (505) 896-8763
Fax: (505) 891-5762
sruger@ci.rio-rancho.nm.us

Appendix A
Contract No. XX-XX-XX
Benefits Consulting Services

THIS AGREEMENT (the "Agreement") is made and entered into by and between the **City of Rio Rancho** (the "City"), a municipal corporation and political subdivision of the State of New Mexico, and _____ (the "Contractor"), a New Mexico corporation, as of the date indicated below.

WHEREAS, the City issued an RFP for Benefits Consulting Services, RFP No. 09-AD-11, on _____, 2009, attached hereto as Exhibit A and incorporated by reference; and

WHEREAS, the Contractor submitted a proposal in response to RFP No. 09-AD-11 on _____ attached hereto as Exhibit B and incorporated by reference; and

WHEREAS, the City wishes to engage the Contractor to provide the services described in Exhibits A and B.

NOW, THEREFORE, in consideration of the premises and mutual obligations set forth herein, the parties agree as follows:

1. ENGAGEMENT; SCOPE

The City hereby engages the Contractor to provide the services described in Exhibits A and B attached hereto.

2. TERM; TERMINATION

(a) Unless sooner terminated, this Agreement will be effective for a period of four (4) years with the City's option to renew for four (4) additional years.

(b) Notwithstanding anything to the contrary contained herein, the City may terminate this Agreement at any time by giving the Contractor such written notice as may be reasonable under the circumstances. Upon receipt of such written notice, the Contractor shall cease all work undertaken hereunder, except as may be necessary to provide for an orderly transition of such work. The Contractor may terminate this Agreement at any time with 60 days written notice to the City.

(c) Upon any termination of this Agreement, the Contractor shall provide a final invoice to the City, showing all costs incurred but unpaid, and the City shall pay such costs, as shown therein. The Contractor shall forthwith deliver all files, reports, and other materials concerning the services provided, maintained or controlled by the Contractor at the time of such termination, subject to all applicable federal and state law.

(d) The Contractor shall have no claim, right or cause of action against the City for termination of this Agreement by City in accordance with the provisions of this paragraph, except as may be otherwise expressly provided with respect to the Contractor's earned but unpaid costs as of the date of such termination.

(e) Nothing herein shall be construed as relieving the Contractor from liability to the City for damages sustained by the City as a result of a breach of this Agreement by the Contractor, and the City may withhold any payments otherwise due to the Contractor as a set-off against all or part of such damages, until such time as the exact amount of damages due the City from the Contractor is determined and that amount paid to (and/or withheld by) the City in full.

3. COMPENSATION AND PAYMENT

For services rendered hereunder, the Contractor shall invoice the City semimonthly for services provided in accordance with the Contractor's fee schedule included in Exhibit X. Contractor shall submit semimonthly invoices to the City showing the amount of compensation due, the amount of any New Mexico gross receipts taxes and the total amount payable. Payment of undisputed amounts shall be due and payable thirty (30) days after the City's receipt of the invoice.

4. RELATIONSHIP OF PARTIES

The Contractor (and each agent, employee and contractor employed or engaged by the Contractor to fulfill the Contractor's obligations hereunder) shall be an independent contractor performing professional services for the City and not an employee of the City or an agent of the City for any purpose beyond the specific engagement for services set forth herein. As independent contractors, the Contractor and its agents and employees shall not qualify for or receive any employee benefits from the City, including but not limited to leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to City employees.

5. STANDARD OF PERFORMANCE

The Contractor agrees and represents that it has the personnel, experience and knowledge necessary to qualify it for the particular duties to be performed under this Agreement. Contractor shall perform the work described herein in accordance with the highest standard of care for performance of the Services.

6. DELIVERABLES AND USE OF DOCUMENTS

All work, work product, and deliverables produced under contract with the City shall remain the exclusive property and shall inure to the benefit of the City as work for hire; the Contractor shall not use, sell, disclose or obtain any other compensation for such work for hire. In addition, the Contractor may not, with regard to all work, work product, deliverables or work for hire required by this Agreement, apply for in its name or otherwise, any copyright, patent or other property right and acknowledges that any such property right created or developed remains the exclusive right of the City.

7. EMPLOYEES AND SUBCONTRACTORS

The Contractor shall be solely responsible for payment of wages, salary or benefits to any and all employees or contractors retained by the Contractor in the performance of the Services. Contractor agrees to indemnify, defend and hold harmless the City for any and all claims that may arise from the Contractor's relationships to its employees and subcontractors.

8. INSURANCE

The Contractor shall procure and maintain, at its own expense, all necessary or appropriate insurance coverage for itself and its agents and employees. The Contractor shall provide to the City, a certificate of insurance or declarations page demonstrating compliance with the foregoing.

9. ASSIGNMENT AND DELEGATION

The Contractor shall not delegate or subcontract any portion of the services to be performed hereunder without the prior written approval of the City or customary in the provision of the Contractor's services. Nor shall the Contractor assign or transfer any interest in this Agreement without the prior written consent of the City; provided, however, that, notwithstanding the foregoing, amounts due hereunder from the City to the Contractor may be assigned to a bank or trust company. Notwithstanding anything to the contrary contained herein, no assignment or

transfer of funds and/or the Contractor's right to payment hereunder shall bind the City to pay any person other than the Contractor for services provided hereunder.

10. RECORDS AND AUDIT

The Contractor shall maintain appropriate accounts and records to adequately identify and account for all services provided and costs chargeable to the City hereunder and such other records as may be required by law. Subject to applicable federal and state law, such records will be made available to the City and/or its authorized representative(s) during regular business hours, upon reasonable request, and will be retained for two (2) years after the termination of this Agreement, unless provided otherwise by the City in writing.

11. APPROPRIATIONS

The terms of this Agreement and all amounts payable hereunder are contingent upon sufficient appropriations therefore by the City's Governing Body. If sufficient appropriations are not made, the City shall notify the Contractor of the termination of this Agreement in accordance with the provisions of paragraph 2, above.

12. CONFIDENTIALITY

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be revealed or made available to any person by the Contractor without the prior written approval of the City.

13. COMPLIANCE WITH LAWS AND POLICIES; CONFLICT OF INTEREST

(a) In the performance of their obligations hereunder, the parties shall obey and abide by all applicable laws, rules and regulations, and with all applicable ordinances, polices and procedures.

(b) The Contractor hereby covenants, warrants and represents that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services under this Agreement. Without limiting the generality of the foregoing, the Contractor shall comply with all applicable legal or regulatory provisions concerning conflicts of interest.

(c) Both parties shall abide by all applicable federal and state laws, rules, regulations, and executive orders pertaining to equal employment opportunity; pursuant thereto, shall assure that no person shall, on the grounds of race, color, national origin, sex, age, or disability, be excluded from employment with, participation in, be denied the benefits of or be otherwise subjected to discrimination under, any program or activity performed under this Agreement; and to promptly take appropriate steps to correct any deficiency that may be found to occur in compliance with such laws and rules.

14. RELEASE; INDEMNITY

By its receipt of final payment of all amounts due under this Agreement, the Contractor shall release the City, and its officers and employees, from all liabilities, claims, and obligations whatsoever, arising from or under this Agreement. The Contractor shall indemnify and defend the City and hold the City harmless for and from any and every claim, action, liability, loss, damage or suit, arising from the fault of the Contractor in performing (or omitting to perform) services hereunder.

15. FORCE MAJEURE

Neither the City nor the Contractor shall be liable for any delay in the performance of this Agreement, nor for any other breach, nor for any loss or damage arising from uncontrollable

forces such as fire, theft, storm, war, or any other force majeure that could not have been reasonable avoided by exercise of due diligence.

16. LICENSES

The Contractor shall maintain all required licenses, including without limitation all necessary professional and business licenses, throughout the term of this Agreement. Contractor shall require and shall assure that all of the Contractor's employees and subcontractors maintain all required licenses, including without limitation all necessary professional and business licenses.

17. NOTICES/POINT OF CONTACT

For the City, the sole points of contact under this Agreement shall be the Community Development Division Manager and/or the CSR/Project Assistant. Any notice required or permitted to be given hereunder shall be sufficient if mailed to the address shown below or faxed to the number shown below for the party receiving notice, or to such other address or fax number of which such party has duly notified the other party in accordance with the provisions of this paragraph.

For notice to the City:

City of Rio Rancho
Attn: James Jimenez
3200 Civic Center Circle NE
Rio Rancho, New Mexico 87144
Fax: (505) 891-5762

For notice to the Contractor:

Fax: _____

18. MERGER; AMENDMENT

This Agreement represents the entire agreement between the parties with respect to the matters addressed herein, and all prior agreements, covenants, and understandings between the parties concerning the same have been merged into this written Agreement. This Agreement shall not be altered, modified, changed, or amended except by a written instrument executed by the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement, effective as of the date executed by both parties.

CITY OF RIO RANCHO

[Contractor]

James C. Jimenez, City Manager

Date: _____

Date: _____

APPROVED AS TO FORM:

James C. Babin, City Attorney