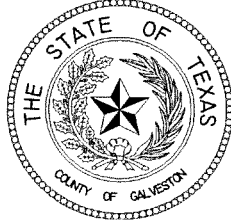


**GALVESTON COUNTY
PURCHASING DEPARTMENT**



REQUEST FOR PROPOSAL

BID #B161004

**CDBG-DRS ROUND 2 RENTAL PROGRAM
FOR GALVESTON COUNTY, TEXAS**

PROPOSAL DUE DATE: 01/07/2016

2:00 P.M. CST

***Rufus Crowder, CPPO, CPPB
Purchasing Agent
Galveston County
722 Moody (21st Street)
Fifth (5th) Floor
Galveston, Texas 77550
(409) 770-5372***



RFP #B161004
OPEN: 01/07/2016
TIME: 2:00 P.M. CTS

REQUEST FOR PROPOSAL CDBG-DRS ROUND 2 RENTAL PROGRAM FOR GALVESTON COUNTY, TEXAS

Sealed proposals in **sets of ten (10), one (1) original and nine (9) copies**, will be received in the office of the Galveston County Purchasing Agent **until 2:00 P.M. CST, on 01/07/2016** and opened immediately in that office in the presence of Galveston County Auditor and the Purchasing Agent. Sealed proposals are to be delivered to Rufus G. Crowder, CPPO CPPB, Galveston County Purchasing Agent at the Galveston County Courthouse, 722 Moody, (21st Street), Floor 5, Purchasing, Galveston, Texas 77550, (409) 770-5372. **The time stamp clock located in the Purchasing Agent's office shall serve as the official time keeping piece for this solicitation process. Any proposals received after 2:00 P.M. on the specified date will be returned unopened.**

Purpose:

Galveston County is seeking proposals for the rehabilitation, reconstruction, and/or new construction of affordable multi-family housing units and/or single-family units under common ownership of at least eight (8) such rental units within Galveston County's jurisdictional area for the Program. Galveston County may award one or more projects under this request for proposal.

Galveston County is a sub-recipient in the CDBG-DRS grant to the State of Texas (State) and is continuing to participate in Round 2, Phase 2 of the CDBG-DRS grant (commonly referred to as Round 2.2). Under this grant, the County has entered into a contract with the Texas General Land Office (GLO), the State agency administering the grant to the State, for Round 2.2, which includes a multi-family rental housing program (Program) for affordable rental housing. The contract between Galveston County and the GLO is GLO Contract No. 12-511-000-6725. The prior State agency that administered the CDBG-DRS was the Texas Department of Housing and Community Affairs (TDHCA). The TDHCA adopted guidelines for Round 2, which continue to apply in Round 2.2 (State Guidelines). This Program is subject to the State Guidelines.

All proposals must be marked on the outside of the envelope:

RFP #B161004

CDBG-DRS Round 2 Rental Program for Galveston County, Texas

Proposers name, return address, and the enclosed label should be prominently displayed on the proposal package for identification purposes.

Specifications can be obtained on application at the office of the Galveston County Purchasing Agent, located in the Galveston County Courthouse, 722 Moody, (21st Street), Floor 5, Purchasing, Galveston, Texas, 77550, or by visiting the Galveston County website @ <http://www.galvestoncountytexas.gov/pu/Pages/BidListings.aspx>.

Proposal prices shall be either lump sum or unit prices as shown on proposal bid sheets, if applicable. The net price shall be delivered to Galveston County, including all freight, shipping, and license fees. Galveston County is tax exempt and no taxes should be included in proposal pricing.

Upon satisfaction of contractual terms (e.g., goods delivered in promised condition, services rendered as agreed, etc.), contractor shall be paid via Galveston County's normal accounts payable process.

Bonding Requirements:

- **PROPOSAL GUARANTEE:** Evidencing its firm commitment to engage in the contract if Proposer is selected for award of contract, each Proposer is required to furnish with their proposal a Cashier's Check, Certified Check from any bank within the State of Texas, or an acceptable Proposer's Bond (in the event of requests for bids, this is called a Bidder's Bond), in the amount of five percent (5%) of the total contract price. The Proposer's Bond must be executed with a surety company authorized to do business in the State of Texas. Failure to furnish the bid/proposal guarantee in the proper form and amount, by the time set for opening of bids/proposals may be cause for rejection of the bid/proposal.
- **PERFORMANCE AND PAYMENT BONDS**
Successful proposer, before beginning work, shall execute a performance bond and a payment bond, each of which must be in the amount of the contract. The required payment and performance bonds must each be executed by a corporate surety in accordance with Section 1, Chapter 87, Acts of the 56th Legislature, Regular Session, 1959 (Article 7.19-1, Vernon's Texas Insurance Code).

The Galveston County Commissioners' Court reserves the right to waive any informality and to reject any and all proposals, and to accept the proposal which, in its opinion, is most advantageous to Galveston County with total respect the governing laws.

Rufus G. Crowder, CPPO CPPB
Purchasing Agent
Galveston County

CDBG-DRS ROUND 2 RENTAL PROGRAM FOR GALVESTON COUNTY, TEXAS

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**GENERAL PROVISIONS
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1. PROPOSAL PACKAGE

The request for proposal, general and special provisions, drawings, specifications/line item details, contract documents and the proposal sheet are all part of the proposal package. **Proposals must be submitted in sets of ten (10), one (1) original and nine (9) copies** on the forms provided by the County, including the proposal sheets completed in their entirety and signed by an authorized representative by original signature, if County forms are provided. Failure to complete and sign the proposal sheets/contract page(s) may disqualify the proposal from being considered by the Commissioners Court. Any individual signing on behalf of the proposer expressly affirms that he or she is duly authorized to tender this proposal and to sign the proposal sheet/contract under the terms and conditions in this proposal and to bind the proposer to the terms of this request for proposal and proposer's response thereto. Proposer further understands that the signing of the contract shall be of no effect unless subsequently awarded and the contract properly executed by the Commissioners' Court. All figures must be written in ink or typed. Figures written in pencil or with erasures are not acceptable. However, mistakes may be crossed out, corrections inserted, and initialed in ink by the individual signing the proposal. If there are discrepancies between unit prices quoted and extensions, the unit price will prevail. Each proposer is required to thoroughly review this entire proposal packet to familiarize themselves with the proposal procedures, the plans and specifications for the requested work as well as the terms, and conditions of the contract the successful proposer will execute with the County.

2. PROPOSER'S RESPONSIBILITY

The Proposer must affirmatively demonstrate its responsibility. The Proposer must also meet the following minimum requirements:

1. have adequate financial resources or the ability to obtain such resources as required;
2. be able to comply with all federal, state, and local laws, rules, regulations, ordinances and orders regarding this Request for Proposal;
3. have a satisfactory record of performance;
4. have a satisfactory record of integrity and ethics; and
5. be otherwise qualified and eligible to receive an award.

3. TIME FOR RECEIVING PROPOSALS

Proposals may be submitted by mail or hand delivery and must be submitted to the Galveston County Purchasing Agent. If by delivery, the proposer must deliver to the reception desk in the County Purchasing Agent's Office. The delivery and mailing instructions for the Galveston County Purchasing Agent are the following:

**Rufus Crowder, CPPO CPPB,
Galveston County Purchasing Agent
722 Moody, Fifth (5th) Floor
Galveston, Texas 77550**

Proposals will **not** be accepted by facsimile transmission or by electronic mail (email) unless superseded by instructions within the Special Provisions of this solicitation. Proposals must be received by the County Purchasing Agent on or before the deadline for the opening of the proposals. For clarity, mailing date/postmark is **not** sufficient – proposals **must be received** by the County Purchasing Agent on or before the deadline. Late proposals will not be accepted and will be returned to the proposer unopened. Proposals received prior to the submission deadline will be maintained unopened until the specified time for opening.

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The County Purchasing Agent will accept proposals from 8:00 a.m. to 5:00 p.m. on each business day up to the submission deadline. Business days do not include Saturdays and Sundays, and do not include other days in which the County is closed for business in observance of holidays or for other reason.

The time-stamp clock within the County Purchasing Agent's Office shall be the official time-clock for the purposes of this solicitation and thus shall be the determinant of whether the proposal was timely received.

The Proposer should prominently identify the procurement number and name on the outside of the envelope/ mailing package. A label shall be provided for this purpose and usage of the label is preferred. If the proposer fails to identify the Proposal on the outside of the envelope as required, the Purchasing Agent will open the envelope for the sole purpose of identifying the proposal number for which the submission was made. The envelope will then be resealed. No liability will attach to a County office or employee for the premature opening of a proposal.

If you do not submit a proposal, return this Request for Proposal and state reason, otherwise your name may be removed from the Purchasing Agent's mailing list.

4. COMPETITIVENESS, INTEGRITY, INQUIRIES AND QUESTIONS

To prevent biased evaluations and to preserve the competitiveness and integrity of the procurement, **proposers are to direct all communications regarding this request for proposal to the Galveston County Purchasing Agent**, unless otherwise specifically noted.

Do not contact the requesting department. Attempts by offering firms to circumvent this requirement will be viewed negatively and may result in rejection of the bid/proposal of the firm found to be in non-compliance.

All questions regarding this Request for Proposal must be submitted in writing to:

**Rufus Crowder, CPPO CPPB, Purchasing Agent
722 Moody
Fifth (5th) Floor
Galveston, Texas 77550
Fax: (409) 621-7997
E-mail: rufus.crowder@co.galveston.tx.us**

All questions received and the responses thereto will be mailed, emailed, or faxed to all prospective proposers. No inquiries except clarification of instructions will be addressed by telephone.

Proposer is advised to carefully review this Request for Proposal - it provides specific information necessary to aid participating firms in formulating a thorough response. Proposer's failure to examine all documents shall not entitle the proposer to any relief from the conditions imposed in the Request for Proposal and the resultant contract.

An authorized person from the proposer must sign the proposal. This signatory must be a person from the submitting firm who is duly authorized to tender and sign the proposal on behalf of the proposer and to bind the proposer to the terms and conditions of this request for proposal, the response, and all other terms and conditions of the contract. By this signature, the proposer further acknowledges that the proposer has read the proposal documents thoroughly before submitting a proposal and will fulfill the obligations in accordance to the terms, conditions, and specifications herein.

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5. PROPOSAL OPENING

Only the names of proposers will be read at the opening. The Purchasing Agent will examine proposals promptly and thoroughly. No proposal may be withdrawn for a period of sixty (60) calendar days of the proposal opening date.

6. COMMISSIONERS' COURT

No contract is binding on the County until it is properly placed on the Commissioners' Court agenda, approved in open Court, authorized to be executed by the County Judge, and fully executed by both parties.

Department heads and elected officials are not authorized to enter into any type of agreement or contract on behalf of the County. Only the Commissioners' Court acting as a body may enter into a contract on behalf of and contractually bind the County. Additionally, department heads and elected officials are not authorized to agree to any type of supplemental agreements or contracts for goods or services. Supplemental agreements are subject to review by the County Legal Department prior to being accepted and signed by the County's authorized representative.

7. REJECTION OF PROPOSALS/DISQUALIFICATION

Galveston County, acting through its Commissioners' Court, reserves the right to: 1.) reject any and all proposals in whole or in part received by reason of this request for proposal, 2.) waive any informality in the proposals received, 3.) disregard the proposal of any proposer determined to be not responsible, and/or 4.) discontinue its efforts for any reason under this proposal package at any time prior to actual execution of contract by the County.

Proposers may be disqualified and rejection of proposals may be recommended to the Commissioners' Court for any of (but not limited to) the following causes:

- a. Failure to use the proposal forms furnished by the County, if applicable;
- b. Lack of signature by an authorized representative of proposer;
- c. Failure to properly complete the proposal;
- d. Failure to meet the mandatory requirements of this request for proposal; and/or
- e. Evidence of collusion among proposers.

8. RESTRICTIVE OR AMBIGUOUS SPECIFICATIONS

It is the responsibility of the prospective proposer to review the entire invitation to proposal (request for proposal) packet and to notify the Purchasing Department if the specifications are formulated in a manner that would restrict competition or appear ambiguous. Any protest or question(s) regarding the specifications or proposal procedures must be received in the Purchasing Agent's Office not less than seventy-two (72) hours prior to the time set for proposal opening. Vendors are to submit proposal as specified herein or propose an approved equal.

9. SUBSTITUTES/DESCRIPTION OF MATERIALS AND EQUIPMENT

Any brand name or manufacturer reference used herein is intended to be descriptive and not restrictive, unless otherwise noted, and is used to indicate the type and quality of material. The term "or equal" if used, identifies commercially produced items that have the essential performance and salient characteristics of the brand name stated in the item description. All supplies, material, or equipment shall be new and of the most suitable grade for the purpose intended.

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It is not the County's intent to discriminate against any materials or equipment of equal merit to those specified. However, if Proposer desires to use any substitutions, prior written approval must be obtained from the County Purchasing Agent and sufficiently in advance to the submission deadline such that an addendum may be issued. All material supplied must be one hundred percent (100%) asbestos free. Bidder/Proposer, by submission of its bid/proposal, certifies that if awarded any portion of this procurement, the bidder/proposer will supply only material and equipment that is 100% asbestos free.

10. EXCEPTIONS TO PROPOSAL

The proposer will list on a separate sheet of paper any exceptions to the conditions of this request for proposal. This sheet will be labeled, "Exceptions to Proposal Conditions", and will be attached to the proposal. If no exceptions are stated, it will be understood that all general and specific conditions will be complied with, without exception.

The Proposer must specify in its proposal any alternatives it wishes to propose for consideration by the County. Each alternative should be sufficiently described and labeled within the proposal and should indicate its possible or actual advantage to the program being offered.

The County reserves the right to offer these alternatives to other proposers.

11. PRICING

Proposals will be either lump sum or unit prices as shown on the proposal sheet. The net price will be delivered to Galveston County, including all freight or shipping charges.

Cash discount must be shown on proposal, otherwise prices will be considered net. Unless prices and all information requested are complete, proposal may be disregarded and given no consideration.

In case of default by the contractor, the County of Galveston may procure the articles or services from other sources and may deduct from any monies due, or that may thereafter become due to the contractor, the difference between the price named in the contract of purchase order and the actual cost thereof to the County of Galveston. Prices paid by the County of Galveston shall be considered the prevailing market price at the time such purchase is made. Periods of performance may be extended if the facts as to the cause of delay justify such extension in the opinion of the Purchasing Agent and the Commissioners' Court.

12. PROCUREMENT CARD (P-Card) PROGRAM

The County of Galveston participates in a Procurement Card (P-Card) program that allows payments made to a vendor by credit card. This method normally results in substantially faster bill payments, sometimes within three (3) to five (5) days of the actual transaction date. If your company will accept payment via credit card (Visa, MasterCard), please note this in your proposal submittal.

13. PASS THROUGH COST ADJUSTMENTS

Except in instances of extreme extenuating circumstances Vendor prices shall remain firm throughout the Contract period and any renewals. Examples of extreme extenuating circumstances include such situations as a nationwide rail strike, oil shortage or oil embargo.

In extreme extenuating circumstances Vendors may be allowed to temporarily "pass through" additional costs they are

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forced to incur through no fault of their own. A request for a pass through cost increase will not be considered unless a Vendor's cost for his product exceeds 10% over the original cost for the product. Also, the increase in cost must be nationwide and consistent for a minimum period of sixty (60) days. Costs that historically are anticipated to rise over a period of time (for example only, such as wages or insurance costs) do not qualify for pass through. If a Vendor thinks he will be asking for a pass through cost adjustment during the term of the contract, then the original cost of the product to Vendor must be stated in Vendor's original proposal.

A request for a pass through cost does not guarantee that one will be granted. Vendors must submit such information on each request as is required by the County Purchasing Agent. The County Purchasing Agent will review each request on a case by case basis and determine the appropriateness of each request as well as amount and duration of increase. Vendors will not be permitted any additional compensation for mark-ups or profits based on the increase in price. Rather, such additional compensation will be limited to the actual increase in original cost to the Vendor as such increase is reflected by the original cost stated in the proposal. But in no event will the amount of additional compensation exceed 25% increase in Vendor's original cost for his product as such cost is reflected in Vendor's original proposal or the duration exceed a period of sixty (60) days. In addition, should, during the period of the pass through, cost return to normal or decrease to below pre pass through prices, appropriate downward adjustments will be made. No more than one pass through adjustment will be permitted per year.

14. MODIFICATION OF PROPOSALS

A proposer may modify a proposal by letter at any time prior to the submission deadline for receipt of proposals. Modification requests must be received by the County Purchasing Agent prior to the submission deadline. Modifications made before opening time must be initialed by proposer guaranteeing authenticity. Proposals may not be amended or altered after the official opening with the single exception that any product literature and/or supporting data required by the actual specifications, if any, will be accepted at any time prior to the Commissioners' Court considering of same.

15. SIGNATURE OF PROPOSALS

Each proposal shall give the complete mailing address of the Proposer and shall be signed by an authorized representative by original signature with the authorized representative's name and legal title typed below the signature line. Each proposal shall include the Proposer's Federal Employer Identification Number (FEIN). Failure to sign the contract page(s) and proposal response sheets may disqualify the proposal from being considered by the County. The person signing on behalf of the Proposer expressly affirms that the person is duly authorized to tender the proposal and to sign the proposal sheets and contract under the terms and conditions of this RFP and to bind the Proposer thereto and further understands that the signing of the contract shall be of no effect until it is properly placed on the Commissioners' Court agenda, approved in open Court, authorized to be executed by the County Judge, and fully executed by both parties.

16. AWARD OF PROPOSALS – EVALUATION CRITERIA AND FACTORS

The award will be made to the responsible proposer whose proposal is determined to be the lowest and best evaluated offer demonstrating the best ability to fulfill the requirements set forth in this Request for Proposal. **The proposed cost to the County will be considered firm and cannot be altered after the submission deadline, unless the County invokes its right to request a best and final offer.**

Each proposer, by submitting a proposal, agrees that if their proposal is accepted by the Commissioners' Court, such proposer will furnish all items and services upon which prices have been tendered and upon the terms and conditions in

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this proposal and contract.

The contractor shall commence work only after the transmittal of a fully executed contract and after receiving written notification to proceed from the County Purchasing Agent. The contractor will perform all services indicated in the proposal in compliance with this contract.

Neither department heads nor elected officials are authorized to sign any binding contracts or agreements prior to being properly placed on the Commissioners' Court agenda and approved in open court. Department heads and other elected officials are not authorized to enter into any type of agreement or contract on behalf of Galveston County. Only the Commissioners' Court, acting as a body, may enter into a contract on behalf of the County. Additionally, department heads and other elected officials are not authorized to agree to any type of supplemental agreements or contracts for goods or services. Supplemental agreements are subject to review by the County Legal Department prior to being signed by the County's authorized representatives.

The County of Galveston reserves the right to accept proposals on individual items listed, or group items, or on the proposal as a whole; to reject any and all proposals; to waive any informality in the proposals; and to accept the proposal that appears to be in the best interest of the County. The selection process may, however, include a request for additional information or an oral presentation to support the written proposal.

In determining and evaluating the best proposal, the pricing may not necessarily be controlling, but quality, equality, efficiency, utility, general terms, delivery, suitability of the service offered, and the reputation of the service in general use will also be considered with any other relevant items. The Commissioners' Court shall be the sole judge in the determination of these matters.

The County reserves the right to reject any or all proposals in whole or in part received by reason of this RFP and may discontinue its efforts under this RFP for any reason or no reason or solely for the County's convenience at any time prior to actual execution of the contract by the County.

A Proposer whose proposal does not meet the mandatory requirements set forth in this RFP will be considered noncompliant.

The invitation to submit a proposal which appears in the newspaper, or other authorized advertising mediums, these general provisions, the special provisions which follow, any other specifications which follow, the proposal sheets, and any addenda issued are all considered part of the proposal.

Each proposer, by submitting a proposal, agrees that if its proposal is accepted by the Commissioners' Court, such proposer will furnish all items and services upon the terms and conditions in this RFP and the resultant contract.

Notice of contract award will be made within ninety (90) days of opening of proposals to the lowest responsive and responsible proposer, whose proposal complies with all the requirements in the Request for Proposal.

Contractor shall submit to the County, for approval, within ten (10) days from notice of contract award, all Certificates of Insurance evidencing the required coverage as described under Section 36, Requirement of and Proof of Insurance.

The contractor shall not commence work under these terms and conditions of the contract until all applicable Certificates of Insurance, Performance and Payment Bonds, and Irrevocable Letter of Credit (if required), have been approved by the County of Galveston and the Contractor has received notice to proceed in writing and an executed copy of the contract from the County Purchasing Agent.

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17. DISPUTE AFTER AWARD/PROTEST

Any actual or prospective Proposer who is allegedly aggrieved in connection with the solicitation of this RFP or award of a contract resulting therefrom may protest. The protest will be submitted in writing to the Purchasing Agent within seven (7) calendar days after such aggrieved person knows of or should have known of the facts giving rise thereto. If the protest is not resolved by mutual agreement, the Purchasing Agent will promptly issue a decision in writing to the protestant. If the protestant wishes to appeal the decision rendered by the Purchasing Agent, such appeal must be made to the Commissioners' Court through the Purchasing Agent. The decision of the Commissioners' Court will be final. The Commissioners' Court need not consider protests unless this procedure is followed.

18. PUBLIC INFORMATION ACT (f/k/a Open Records Act)

The proposer acknowledges that the County is a governmental body for purposes of the Public Information Act, codified as Chapter 552 of the Texas Government Code, and as such is required to release information in accordance with the provisions of the Public Information Act.

If Proposer considers any of its submitted information to be proprietary in nature, trade secret, or otherwise confidential, then it must clearly and conspicuously mark such information as proprietary, trade, secret, or confidential. By the submission of its proposal, the Proposer expressly affirms that it has clearly and conspicuously marked any information within its submission that it considers to be confidential, proprietary, and/or trade secret.

In the event the County receives a request for information under the Public Information Act seeking information that the Proposer has marked as confidential, proprietary, and/or trade secret, then the County agrees that it shall provide notice to the Proposer of the request in accordance with the provisions of the Public Information Act. These provisions require the County to initiate the request for decision process under the Public Information Act – thus, the County will submit initial correspondence to the Texas Attorney General. Proposer is deemed to have knowledge of the Public Information Act. **By the submission of its proposal, proposer expressly acknowledges that the burden to withhold its' information from public disclosure lays with the proposer;** thus, proposer further acknowledges and agrees that it shall submit comments to the Texas Attorney General in the request for decision process if proposer wishes to have its information withheld from public disclosure.

19. PROPOSER'S EMAIL ADDRESSES

Notwithstanding the foregoing Section 18, proposer acknowledges and agrees that the confidentiality of any and all email addresses it uses or discloses in communicating with the County are open to the public in accordance with Section 552.137 of the Government Code and consents to the release of its email addresses.

20. RESULTANT CONTRACT

Proposer shall correctly and fully execute the resultant contract first – after this, the contract shall be set for consideration by the Commissioners' Court. If the Commissioners' Court authorizes the execution of the contract, then the resultant contract shall become effective upon the Commissioners' Court execution of same. Contract documents shall consist of the contract, the general and special provisions, the drawings, proposal package (including best and final offer(s) if such is utilized), any addenda issued, and any change orders issued during the work. If applicable to the attached bid/proposal, bidder/proposer must sign three (3) original contracts and return with their bid/proposal submittal.

Proposer should submit a proposed contract with its proposal or its sample material terms and conditions.

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The criteria utilized for determining responsibility of proposer(s) includes, but is not limited to, the proposer's experience, skill, ability, business judgment, financial capacity, integrity, honesty, possession of the necessary facilities or equipment, previous performance, reputation, promptness, and any other factor deemed relevant by the County. The proposers shall furnish any information requested by the County in order for the County to determine whether a proposer is responsible.

21. CONTRACT TERM

The term of the resultant contract will begin on the date of full execution or the execution by the Commissioners' Court, whichever is later, and will terminate on the date specified in the resultant contract unless terminated earlier as herein set forth.

22. TERMINATION FOR DEFAULT

Failure of either party in the performance of any of the provisions of this contract shall constitute a breach of contract, in which case either party may require corrective action within ten (10) business days from date of receipt of written notice citing the exact nature of such breach. Failure of the party being notified to take corrective action within the prescribed ten (10) business days, or failure to provide a written reply of why no breach has occurred, shall constitute a Default of Contract.

All notices relating to default by Proposer of the provisions of the contract shall be issued by County by its Legal Department, and all replies shall be made in writing to the County Legal Department. Notices issued by or issued to anyone other than the County Legal Department shall be null and void and shall be considered as not having been issued or received.

Galveston County reserves the right to enforce the performance of this contract in any manner prescribed by law in the event of breach or default of this contract, and may contract with another party, with or without solicitation of bids or proposals or further negotiations. At a minimum, Proposer shall be required to pay any difference in service or materials, should it become necessary to contract with another source, plus reasonable administrative costs and attorney fees.

In the event of Termination for Default, Galveston County, its agents or representatives shall not be liable for loss of any profits anticipated to be made by Proposer.

In addition to the remedies stated herein, the County has the right to pursue other remedies permitted by law or in equity.

No waiver by either party of any event of default under this agreement shall operate as a waiver of any subsequent default under the terms of this agreement.

County reserves the right to terminate this contract immediately in the event Proposer:

- Fails to meet delivery or completion schedules; and/or
- Fails to otherwise perform in accordance with the accepted proposal and the contract.

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23. TERMINATION FOR CONVENIENCE

County may terminate this contract upon at least thirty (30) calendar days prior written notice for its convenience or for any reason deemed by the County to serve the public interest. As well, County may terminate this contract upon thirty (30) calendar days prior written notice for any reason resulting from any governmental law, order, ordinance, regulation, or court order. In no event shall County be liable for loss of any profits anticipated to be made hereunder by Proposer should this contract be terminated early.

24. FORCE MAJEURE

If by reason of Force Majeure either Party shall be rendered unable, wholly or in part, to carry out its responsibilities under this contract by any occurrence of Force Majeure, then the Party unable to carry out its responsibility shall give the other Party notice and full particulars of such Force Majeure in writing within a reasonable time after the occurrence of the event, and such notice shall suspend the Party's responsibility for the continuance of the Force Majeure claimed, but for no longer period.

Force Majeure means acts of God, floods, hurricanes, tropical storms, tornadoes, earthquakes, or other natural disasters, acts of a public enemy, acts of terrorism, sovereign conduct, riots, civil commotion, strikes or lockouts, and other causes that are not occasioned by either Party's conduct which by the exercise of due diligence the Party is unable to overcome and which substantially interferes with operations.

25. ESTIMATED QUANTITIES

Any reference to quantities shown in the Request for Proposals is an estimate only. Since the exact quantities cannot be predetermined, the County reserves the right to adjust quantities as deemed necessary to meet its requirements.

26. CONTRACTOR INVESTIGATION

Before submitting a proposal, each proposer shall make all investigations and examinations necessary to ascertain all site conditions and requirements affecting the full performance of the contract and to verify any representations made by the County upon which the contractor will rely. If the contractor is awarded contract as a result of its proposal submission in this procurement, the contractor's failure to have made such investigations and examinations will in no way relieve the contractor from its obligation to comply in every detail with all provisions and requirements of the contract, nor will a plea of ignorance of such conditions and requirements be accepted as a basis for any claim whatsoever by the contractor for additional compensation and/or for excused nonperformance.

27. NO COMMITMENT BY COUNTY OF GALVESTON

This Request for Proposal does not commit the County of Galveston to award any costs or pay any costs, or to award any contract, or to pay any costs associated with or incurred in the preparation of a proposal in response to this Request for Proposal, and does not commit the County of Galveston to procure or contract for services or supplies.

28. PROPOSAL COSTS BORNE BY BIDDER/PROPOSER

Galveston County shall not be liable for any costs incurred by Bidder/Proposer in preparation, production, or submission of a bid/proposal, including but not limited to the bid/proposal and best and final offer, and shall not be liable for any work performed by Bidder/Proposer prior to issuance of fully executed contract and properly issued notice to proceed. Galveston County shall not be liable for any costs incurred by Bidder/Proposer by reason of attending a pre-proposal conference. Galveston County shall not be liable for any costs incurred by Bidder/Proposer by reason of the

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County invoking use of best and final offers.

29. BEST AND FINAL OFFERS (BAFO)

In acceptance of proposals, the County of Galveston reserves the right to negotiate further with one or more of the proposers as to any features of their proposals and to accept modifications of the work and price when such action will be in the best interest of the County. This includes solicitation of a Best and Final Offer from one or more of the proposers. If invoked, this allows acceptable proposers the opportunity to amend, change or supplement their original proposal. Proposers may be contacted in writing requesting that they submit their Best and Final Offer. Any such Best and Final Offer must include discussed and negotiated changes.

30. SINGLE PROPOSAL RESPONSE

If only one proposal is received in response to the Request for Proposal, a detailed cost proposal may be requested of the single contractor. A cost/price analysis and evaluation and/or audit may be performed of the cost proposal in order to determine if the price is fair and reasonable.

31. CHANGES IN SPECIFICATIONS

If it becomes necessary to revise any part of this proposal, a written notice of such revision will be provided to all proposers in the form of addenda. The County is not bound by any oral representations, clarifications, or changes made in the written specifications by the County's employees or officials, unless such clarification or change is provided to proposers in a written addendum from the County Purchasing Agent. Proposers are advised to inquire prior to the submission deadline as to whether any addenda to this request for proposal have been issued, as the successful proposer will be required to abide by such addenda.

The County of Galveston reserves the right to revise or amend the specifications up to the time set for opening of proposals. Such revisions and amendments, if any, shall be announced by form of addenda. Copies of such amending or revising addenda (or addendum in the event only one addendum is issued in the procurement) shall be furnished to all prospective contractors. Prospective contractors are defined as those contractors listed on the County's Request for Proposal list for this material/service or those who have obtained documents subsequent to the advertisement. If revisions and amendments require changes in quantities or prices proposed, or both, the date set for opening of proposals may be postponed by such number of days as in the opinion of the County shall enable contractors to revise their proposals. In any case, the proposal opening shall be at least five (5) business days after the last revising or amending addendum and the last revising or amendment addendum shall include an announcement of the new date, if applicable, for the opening of proposals.

32. PROPOSAL IDEAS AND CONCEPTS

The County reserves to itself the right to adopt or use for its benefit, any concept, plan, or idea contained in any proposal.

33. PROPOSAL DISCLOSURES

The names of those who submitted proposals will not be made public information unless in conformity with the County Purchasing Act. No pricing or staffing information will be released. Proposers are requested to withhold all inquiries regarding their proposal or other submissions until after an award is made. No communication is to be had with any County employee or official, other than the County Purchasing Agent, regarding whether a proposal was received.

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Violations of this provision may result in the rejection of a proposal.

34. WITHDRAWAL OF PROPOSAL

Proposers may request withdrawal of a sealed proposal prior to the scheduled proposal opening time provided the request for withdrawal is submitted to the Purchasing Agent in writing. No proposals may be withdrawn for a period of sixty (60) calendar days after opening of the proposals.

35. INDEMNIFICATION

The contractor shall agree to assume all risks and responsibility for, and agrees to indemnify, defend, and save harmless, the County of Galveston, its elected and appointed officials and department heads, and its agents and employees from and against all claims, demands, suits, actions, recoveries, judgments, and costs and expenses including reasonable attorney's fees for the defense thereof in connection therewith on account of the loss of life, property or injury or damage to the person which shall arise from contractor's operations under this contract, its use of County facilities and/or equipment or from any other breach on the part of the contractor, its employees, agents or any person(s), in or about the County's facilities with the expressed or implied consent of the County. Contractor shall pay any judgment with cost which may be obtained against Galveston County resulting from contractor's operations under this contract.

Contractor agrees to indemnify and hold the County harmless from all claims of subcontractors, laborers incurred in the performance of this contract. Contractor shall furnish satisfactory evidence that all obligations of this nature herein above designated have been paid, discharged or waived. If Contractor fails to do so, then the County reserves the right to pay unpaid bills of which County has written notice direct and withhold from Contractor's unpaid compensation a sum of money reasonably sufficient to liquidate any and all such lawful claims.

36. REQUIREMENT OF AND PROOF OF INSURANCE

The successful proposer shall furnish evidence of insurance to the County Purchasing Agent and shall maintain such insurance as required hereunder or as may be required in the resultant contract, if different. Contractor shall obtain and thereafter continuously maintain in full force and effect, commercial general liability insurance, including but not limited to bodily injury, property damage, and contractual liability, with combined single limits of \$1,000,000 or as may be required by State or Federal law, whichever is greater. Such insurance must be issued by a casualty company authorized to do business in the State of Texas, and in standard form approved by the Board of Insurance Commissioners of the State of Texas, with coverage provisions insuring the public from loss or damage that may arise to any person or property by reason of services rendered by Contractor. Insurance shall be placed with insurers having an A.M. Best's rating of no less than A. The County of Galveston shall be named as an additional insured on the commercial general liability insurance policy. Certificates of Insurance, fully executed by a licensed representative of the insurance company written or countersigned by an authorized Texas state agency, shall be filed with the County Purchasing Agent within ten (10) business days of issuance of notification from the County Purchasing Agent to Proposer that the contract is being activated as written proof of such insurance and further provided that proposer shall not commence work under this contract until it has obtained all insurance required herein, provided written proof as required herein, and received written notice to proceed issued from the County Purchasing Agent. Proof of renewal/replacement coverage shall be provided upon expiration, termination, or cancellation of any policy. Said insurance shall not be cancelled, permitted to expire, or changed without thirty (30) days prior written notice to the County. Insurance required herein shall be maintained in full force and effect during the life of this contract and shall

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be issued on an occurrence basis. Contractor shall require that any and all subcontractors that are not protected under the Contractor's own insurance policies take and maintain insurance of the same nature and in the same amounts as required of Contractor and provide written proof of such insurance to Contractor. Proof of renewed/replacement coverage shall be provided upon expiration, termination, or cancellation of any policy. Contractor shall not allow any subcontractor to commence work on the subcontract until such insurance required for the subcontractor has been obtained and approved.

Successful proposer shall carry in full force Workers' Compensation Insurance Policy(ies), if there is more than one employee, for all employees, including but not limited to full time, part time, and emergency employees employed by the successful proposer. Current insurance certificates certifying that such policies as specified above are in full force and effect shall be furnished by successful proposer to the County.

Insurance is to be placed with insurers having a Best rating of no less than A. The Proposer shall furnish the County with certificates of insurance and original endorsements affecting coverage required by these insurance clauses within ten (10) business days of receiving notification from the County Purchasing Agent that the contract is being activated. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The Proposer shall be required to submit annual renewals for the term of this contract prior to expiration of any policy.

In addition to the remedies stated herein, the County has the right to pursue other remedies permitted by law or in equity.

The County agrees to provide Proposer with reasonable and timely notice of any claim, demand, or cause of action made or brought against the County arising out of or related to utilization of the property. Proposer shall have the right to defend any such claim, demand, or cause of action at its sole cost and expense and within its sole and exclusive discretion. The County agrees not to compromise or settle any claim or cause of action arising out of or related to the utilization of the property without the prior written consent of the Proposer.

In no event shall the County be liable for any damage to or destruction of any property belonging to the Proposer.

Galveston County shall be listed as the additional insured on policy certificates and shall be provided with no less than thirty (30) calendar days prior written notice of any changes to the policy during the contractual period.

37. **BID/PROPOSAL GUARANTEE**

Unless specified differently within the Special Provisions of this procurement, each Proposer shall be required to submit a bid guarantee with its proposal as required within this Section.

Evidencing its firm commitment to engage in contract if Proposer is selected for award of contract, each Proposer is required to furnish with their proposal a cashier's check or an acceptable proposer's bond (in the event of requests for bids, this is called a bidder's bond/bid bond), in the amount of five percent (5%) of the total contract price. If Proposer is using a bond, then the proposer bond must be executed with a surety company authorized to do business in the State of Texas. Failure to furnish the bid/proposal guarantee in the proper form and amount, by the time set for opening of bids/proposals may be cause for rejection of the bid/proposal.

The cashier's check or proposer/bid bond (as applicable) will be returned to each respective unsuccessful proposer(s) subsequent to the Commissioners Court award of contract, and shall be returned to the successful proposer upon the completion and submission of all contract documents. Provided however, that the cashier's check or proposer bond will

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be forfeited to the County as liquidated damages should successful proposer fail to execute the contract within thirty (30) days after receiving notice of the acceptance of its proposal.

38. PERFORMANCE AND PAYMENT BONDS

Successful proposer, before beginning work, shall execute a performance bond and a payment bond, each of which must be in the amount of the contract. The required payment and performance bonds must each be executed by a corporate surety authorized to write surety bonds in the State of Texas and in accordance with Chapter 3503 of the Insurance Code (codified in 2005 and originally within Section 1, Chapter 87, Acts of the 56th Leg., R.S., 1959, and in Article 7.19-1, Vernon's Texas Insurance Code).

The performance and payment bonds must each clearly and prominently display on the bond or on an attachment to the bond:

- a.) The name, mailing address, physical address, and telephone number, including the area code, of the surety company to which any notice of claim should be sent; or
- b.) The toll-free telephone number maintained by the Texas Department of Insurance under Subchapter B, Chapter 521, Insurance Code, and a statement that the address of the surety company to which any notice of claim should be sent may be obtained from the Texas Department of Insurance by calling the toll free-telephone number.

The performance bond shall be solely for the protection of Galveston County, in the amount of the contract, and conditioned on the faithful performance of the work in accordance with the plans, specifications, and contract documents. The payment bond is solely for the protection and use of payment bond beneficiaries who have a direct contractual relationship with the prime contractor or a subcontractor to supply labor or material, and in the amount of the contract.

The payment and performance bonds required to be furnished herein must be furnished before the contractor begins work and are a requirement for issuance of a Notice to Proceed. Such bonds must be furnished to the Galveston County Purchasing Agent within thirty (30) calendar days after the date of the full execution of the contract or, if applicable, as required under Chapter 2253, Government Code, whichever is earlier. Contractor's failure to provide the required payment and performance bonds within such time period shall constitute an event of default under this contract. Contractor shall not commence work until all applicable certificates of insurance, performance bonds, and payment bonds have been received and approved by the County Purchasing Agent and the Contractor receives notice to proceed in writing that has been issued by the County Purchasing Agent.

Additionally, if this request for proposal is for the award of a public works contract, then compliance with Chapter 2253 of the Texas Government Code, which is known as the McGregor Act, is mandatory. Performance and payment bonds are required to be furnished in accordance with Chapter 2253 of the Texas Government Code. Proposer should familiarize itself with the entire provisions of Chapter 2253 of the Texas Government Code.

39. PATENT AND COPYRIGHT PROTECTION

The Proposer agrees at its sole expense to protect the County from claims involving infringement of patents, copyright, trademark, trade secret, or other intellectual property rights. **Proposer shall indemnify and save harmless the County of Galveston, its officers, employees, and agents, from liability of any nature and kind whatsoever, including without limitation cost and expenses, for or on account of any copyrighted, trademarked, trade secret, patented or un-patented invention, process, or article manufactured or used in the performance of the contract, or other**

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intellectual property rights, including its use by the County. Proposer also agrees that if Proposer is awarded this contract, that no work performed hereunder shall be subject to patent, copyright, or other intellectual property by Proposer.

40. CONFLICT OF INTEREST DISCLOSURE REPORTING

Proposer may be required under Chapter 176 of the Texas Local Government Code to complete and file a conflict of interest questionnaire (CIQ Form). The CIQ Form pertains to business relationship, gift giving, and family relationship reporting. If Proposer is required to file a CIQ Form, then the completed CIQ Form must be filed with the County Clerk of Galveston County, Texas.

Business relationship. If Proposer has an employment or other business relationship with a local government officer of Galveston County or with a family member of a local government officer of Galveston County that results in the officer or family member of the officer receiving taxable income that exceeds \$2,500.00 during the preceding 12-month period, then Proposer **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County.

Gift-giving. If Proposer has given a local government officer of Galveston County or a family member of a local government officer of Galveston County one or more gifts with an aggregate value of more than one-hundred dollars (\$100.00) during the preceding 12-months, then Proposer **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County.

For purposes of the business relationship and gift giving reporting requirements, a “family member” means a person related to another person within the first degree by consanguinity or affinity, as described by Subchapter B, Chapter 573, Texas Government Code. Examples of persons within the first degree by consanguinity or affinity include a son, daughter, father, mother, spouse, son-in-law, daughter-in-law, father-in-law, mother-in-law, stepson, stepdaughter, stepmother, and stepfather.

Family relationship. If Proposer has a “family relationship” with a local government officer of Galveston County then Proposer **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County, regardless of whether Proposer has a business relationship or has given gifts to the local government officer or a family member of the local government officer. For this purpose, “family relationship” means Proposer is related within the third degree by consanguinity or the second degree by affinity, as those terms are defined under Chapter 573 of the Texas Government Code, to a local government officer of Galveston County. Examples of such relationships include a son, daughter, mother, father, brother, sister, grandchild, great-grandchild, grandparent, great-grandparent, niece, nephew, uncle, aunt, spouse, mother-in-law, father-in-law, daughter-in-law, son-in-law, spouse’s grandchild, spouse’s grandparent, grandparent’s spouse, grandchild’s spouse, stepson, stepdaughter, stepmother, and stepfather.

Proposer must file its original CIQ Form with the Galveston County Clerk. The Galveston County Clerk has offices at the following locations:

Galveston County Clerk
Galveston County Justice Center, Suite 2001
600 59th Street
Galveston, Texas 77551

Galveston County Clerk
North County Annex, 1st Floor

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174 Calder Road
League City, Texas 77573

Again, if Proposer is required to file a CIQ Form, the original completed form is filed with the Galveston County Clerk (not the Purchasing Agent).

For Proposer's convenience, a blank CIQ Form is enclosed with this proposal. Blank CIQ Forms may also be obtained by visiting the Galveston County Clerk's website and/or the Purchasing Agent's website – both of these websites are linked from the Galveston County homepage, at <http://www.co.galveston.tx.us>.

As well, blank CIQ Forms may be obtained by visiting the Texas Ethics Commission website, specifically at http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm.

Chapter 176 specifies deadlines for the filing of CIQ Forms (both initial filings and updated filings).

It is Proposer's sole responsibility to file a true and complete CIQ Form with the Galveston County Clerk if Proposer is required to file by the requirements of Chapter 176 of the Local Government Code. Proposer is advised that it is an offense to fail to comply with the disclosure reporting requirements dictated under Chapter 176 of the Texas Local Government Code, and the failure to file may be grounds to void the contract, if Proposer is awarded a contract.

If Proposer has any questions about compliance with Chapter 176, Proposer may wish to consult its' legal counsel. Compliance is the individual responsibility of each person, business, and agent who is subject to Chapter 176 of the Texas Local Government Code.

41. ENTIRETY OF AGREEMENT AND MODIFICATION

This contract contains the entire agreement between the parties. Any prior agreement, promise, negotiation or representation not expressly set forth in this contract has no force or effect. Any subsequent modification to this contract must be in writing, signed by both parties.

An official representative, employee, or agent of the County does not have the authority to modify or amend this contract except pursuant to specific authority to do so granted by the Galveston County Commissioners Court.

42. NON-COLLUSION AFFIDAVIT

Proposer certifies, by signing and submitting a proposal, that the proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the proposal is genuine and not collusive or sham; that the contractor has not directly or indirectly induced or solicited another contractor to put in a false or sham proposal, and has not directly or indirectly colluded, conspired, connived, or agreed with any contractor or anyone else to put in a sham proposal or that anyone shall refrain from bidding; that the contractor has not in any manner, directly or indirectly, sought by agreement, communications, or conference with anyone to fix the proposal price of the contractor of any other bidder, or to fix any overhead, profit or cost element of the proposal price, or that of any other contractor, or to secure any advantage against the public body awarding the contract or anyone interested in the proposed contract; that all statements contained in the proposal are true; and further, that the contractor has not, directly or indirectly, submitted his or her proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any cooperation, partnership, company association, organization, proposal depository, or to any member or agent thereof to effectuate a collusive or sham proposal.

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A blank Non-Collusion Affidavit is included with this proposal packet. Proposer must enclose a truthful and fully executed original Non-Collusion Affidavit with the submission of its proposal. This is a mandatory requirement of this RFP. Failure to include the truthfully and fully executed Non-Collusion Affidavit in the submission of its proposal shall be considered non-compliance with the requirements of this RFP by the Proposer and grounds for the rejection of Proposer's submission.

No negotiations, decisions, or actions shall be initiated by any company as a result of any verbal discussion with any County employee prior to the opening of responses to this Request for Proposal.

No officer or employee of the County of Galveston, and no other public or elected official, or employee, who may exercise any function or responsibilities in the review or approval of this undertaking shall have any personal or financial interest, direct or indirect, in any contract or negotiation process thereof. The above compliance request will be part of all County of Galveston contracts for this service.

43. SOVEREIGN IMMUNITY

The County specifically reserves any claim it may have to sovereign, qualified, or official immunity as a defense to any action arising in conjunction with this contract.

44. CONTROLLING LAW AND VENUE

Proposer acknowledges and agrees that the contract is and shall be governed and construed by the laws of the State of Texas and that venue for any action shall lie exclusively in a court of competent jurisdiction in Galveston County, Texas.

45. MERGERS, ACQUISITIONS

The Proposer shall be required to notify the County of any potential for merger or acquisition of which there is knowledge at the time that a proposal is submitted.

If subsequent to the award of any contract resulting from this RFP the Proposer shall merge or be acquired by another firm, the following documents must be submitted to the County:

- a.) Corporate resolutions prepared by the awarded Proposer and the new entity ratifying acceptance of the original contract, terms, conditions and prices;
- b.) New Proposer's Federal Identification Number (FEIN); and
- c.) New Proposer's proposed operating plans.

Moreover, Proposer is required to provide the County with notice of any anticipated merger or acquisition as soon as Proposer has actual knowledge of the anticipated merger or acquisition. The New Proposer's proposed plan of operation must be submitted prior to merger to allow time for submission of such plan to the Commissioners' Court for its approval.

46. DELAYS

The County reserves the right to delay the scheduled commencement date of the contract if it is to the advantage of the County. There shall be no additional costs attributed to these delays should any occur. Proposer agrees it will make no

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claims for damages, for damages for lost revenues, for damages caused by breach of contract with third parties, or any other claim by Proposer attributed to these delays, should any occur. In addition, Proposer agrees that any contract it enters into with any third party in anticipation of the commencement of the contract will contain a statement that the third party will similarly make no claim for damages based on delay of the scheduled commencement date of the contract.

47. ACCURACY OF DATA

Information and data provided through this Request for Proposal are believed to be reasonably accurate.

48. SUBCONTRACTING/ASSIGNMENT

Proposer shall not assign, sell, or otherwise transfer its contract in whole or in part without prior written permission of the County acting by and through its Commissioners' Court. Such consent, if granted, shall not relieve the Proposer of any of its responsibilities under this contract.

49. INDEPENDENT CONTRACTOR

Proposer expressly acknowledges that it is an independent contractor. Nothing in this agreement is intended nor shall be construed to create an agency relationship, an employer/employee relationship, a joint venture relationship, or any other relationship allowing County to exercise control or direction over the manner or method by which Proposer or its subcontractors perform in providing the requirements stated in the Request for Proposal.

50. MONITORING PERFORMANCE

The County shall have the unfettered right to monitor and audit the Proposer's work in every respect. In this regard, the Proposer shall provide its full cooperation and insure the cooperation of its employees, agents, assigns, and subcontractors. Further, the Proposer shall make available for inspection and/or copying when requested, original data, records, and accounts relating to the Proposer's work and performance under this contract. In the event any such material is not held by the Proposer in its original form, a true copy shall be provided.

51. PROCUREMENT ETHICS

Galveston County is committed to the highest ethical standards. Therefore, it is a serious breach of the public trust to subvert the public purchasing process by directing purchases to certain favored vendors, or to tamper with the competitive bidding process, whether it's done for kickbacks, friendship or any other reason. Since misuse of the purchasing power of a local government carries criminal penalties, and many such misuses are from a lack of clear guidelines about what constitutes an abuse of office, the Code of Ethics outlined below must be strictly followed.

Galveston County also requires ethical conduct from those who do business with the County.

CODE OF ETHICS – Statement of Purchasing Policy

Public employment is a public trust. It is the policy of Galveston County to promote and balance the objective of protecting the County's integrity and the objective of facilitating the recruitment and retention of personnel needed by the County. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public office.

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Public employees must discharge their duties impartially so as to assure fair competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Galveston County procurement organization.

To achieve the purpose of this Article, it is essential that those doing business with Galveston County also observe the ethical standards prescribed herein.

General Ethical Standards

It shall be a breach of ethics to attempt to realize personal gain through public employment with Galveston County by any conduct inconsistent with the proper discharge of the employee's duties.

It shall be a breach of ethics to attempt to influence any public employee of Galveston County to breach the standards of ethical conduct set forth in this code.

It shall be a breach of ethics for any employee of Galveston County to participate directly or indirectly in a procurement when the employee knows that:

- The employee or any member of the employee's immediate family, has a financial interest pertaining to the procurement;
- A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement; and/or
- Any other person, business, or organization with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

Gratuities

It shall be a breach of ethics for any person to offer, give, or agree to give any employee or former employee of Galveston County, or for any employee or former employee of Galveston County to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or contract or subcontract, or to any solicitation or bid/proposal pending before this government.

Kickbacks

It shall be a breach of ethics for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Galveston County, or to any person associated therewith, as an inducement for the award of a subcontract or order.

Contract Clause

The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation by Galveston County.

Confidential Information

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It shall be a breach of ethics for any employee or former employee of Galveston County to knowingly use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any other person.

Prohibition against Contingent Fees

It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure a Galveston County contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business. Failure to abide by this section constitutes a breach of ethical standards.

Representation

Proposer represents and warrants, by signing and submitting its proposal, that it has not retained anyone in violation of this section prohibiting contingent fees.

Contract Clause

The representation prescribed above shall be conspicuously set forth in every contract and solicitation therefor.

52. SUBJECT TO APPROPRIATION OF FUNDS

State law prohibits the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved by the Commissioners' Court. Galveston County anticipates this to be an integral part of future budgets to be approved during the periods of this contract, except for unanticipated needs or events which may prevent such payments against this contract. However, Galveston County cannot guarantee the availability of funds, and enters into this contract only to the extent such funds are made available through appropriation (allocation) by the Commissioners' Court. This contract shall not be construed as creating any debt on behalf of the County of Galveston in violation of TEX. CONST. art. XI, § 7, and it is understood that all obligations of Galveston County are subject to the availability of funds.

53. NOTICE

All notices or other communications required or permitted under this contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, transmitted by facsimile, or mailed certified mail, return receipt requested with proper postage affixed and addressed to the appropriate party at the following address or at such other address as may have been previously given in writing to the parties (Proposer shall provide its notice information with its proposal submission). If mailed, the notice shall be deemed delivered when actually received, or if earlier, on the third day following deposit in a United States Postal Service post office or receptacle, duly certified, return receipt requested, with proper postage affixed. If delivered in person, notice shall be deemed delivered when received for by, or actually received by, the receiving Party. If transmitted by facsimile, notice shall be deemed delivered when receipt of such transmission is acknowledged.

To the County at:

Hon. Mark Henry,
County Judge of Galveston County
722 Moody, Second (2nd) Floor
Galveston, Texas 77550
Fax: (409) 765-2653

With copies to:

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Rufus Crowder, CPPO CPPB,
Galveston County Purchasing Agent
722 Moody, Fifth (5th) Floor
Galveston, Texas 77550
Fax: (409) 621-7997

Robert Boemer, Director,
Galveston County Legal Department
722 Moody, Fifth (5th) Floor
Galveston, Texas 77550
Fax: (409) 770-5560

To the Contractor at:

(Proposer to provide its contact name, address, and facsimile number for notice hereunder.)

54. NONDISCRIMINATION

- a. Equal Employment Opportunity. Proposer will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, genetic information or veteran status. Proposer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, sex, disability, genetic information or veteran status. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Proposer agrees to post in conspicuous places, available to employees and applicants for employment, notices of employment.

Proposer will, in all solicitation or advertisements for employees placed by or on behalf of Proposer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, sex, disability, genetic information, or veteran status.

Proposer will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

Proposer will include the provisions herein in every subcontract or purchase order unless exempted.

- b. Drug Free Work Place Act. Proposer shall comply with all applicable requirements of the Drug-Free Workplace Act of 1988 and implementing regulations.
- c. Americans with Disabilities Act. Proposer shall comply with all applicable provisions of the Americans with Disabilities Act and implementing regulations.
- d. OSHA Regulations. Proposer agrees to maintain and to display any applicable materials for its employees in accordance with OSHA regulations.
- e. Compliance with Immigration Laws and use of E-Verify. Proposer agrees to comply with all requirements of the U.S. Immigration Reform and Control Act of 1986, as amended, and any implementing regulations thereto. Proposer further agrees to utilize the E-Verify system through the Department of Homeland Security on its employees. Proposer shall not employ unauthorized aliens, and shall not assign services to be performed to any supplier or subcontractor who are unauthorized aliens. If any personnel performing any services hereunder are discovered to be an unauthorized alien, then Proposer will immediately remove such personnel from performing services hereunder and shall replace such personnel with personnel who are not unauthorized alien(s).

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- f. Proposer agrees to comply with all other State and Federal laws and regulations applicable to the provision of services under this contract.

55. RECORD RETENTION AND RIGHT TO AUDIT

Proposer shall keep and maintain all records associated with this contract for a minimum of five (5) years from the close of the contract or as required by Federal or State law or regulation, whichever period is longer. If awarded this contract, Proposer shall allow the County reasonable access to the records in Proposer's possession, custody, or control that the County deems necessary to assist it in auditing the services, costs, and payments provided hereunder. If this contract involves the use of Federal or State funds, then Proposer shall also allow reasonable access to representatives of the Office of Inspector General, the General Accounting Office, and the other Federal and/or State agencies overseeing the funds that such entities deem necessary to facilitate review by such agencies and Proposer shall maintain fiscal records and supporting documentation for all expenditures in a manner that conforms with OMB Circular A-87 (relocated to 2 C.F.R. Part 225) and this contract.

56. TITLE VI ASSURANCES/TxDOT

The County is subject to Title VI of the Civil Rights Act of 1964 and the Federal and State laws and regulations of the United States Department of Transportation and Texas Department of Transportation (TxDOT). Pursuant to these requirements, the County must have its contractors provide required assurances on compliance with non-discrimination by itself and its subcontractors. The Title VI Assurances within this Subsection are not exhaustive – whenever any Federal, State, or Local requirement requires additional clauses, this list shall not be construed as limiting. Contractor agrees as follows:

- (1) **Compliance with Regulations.** The Contractor shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter, DOT) Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are incorporated herein by reference and made a part of this contract.
- (2) **Nondiscrimination.** The Contractor, with regard to the work performed by it during the contract, shall not discriminate on the basis of race, color, national origin, religion, sex, age, disability or Veteran status in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- (3) **Solicitations for Subcontractors, Including Procurement of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, religion, sex, age, disability or Veteran status.
- (4) **Information and Reports.** The Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the Galveston County or the Texas Department of Transportation to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of the Contractor is in the exclusive possession of another who fails or refuses to furnish this

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information the Contractor shall so certify to Galveston County or the Texas Department of Transportation as appropriate, and shall set forth what efforts it has made to obtain the information.

- (5) **Sanctions for Noncompliance.** In the event of the Contractor's noncompliance with the nondiscrimination provisions of this contract, Galveston County shall impose such contract sanctions as it or the Texas Department of Transportation may determine to be appropriate, including, but not limited to:
- (a) withholding of payments to the Contractor under the contract until the Contractor complies, and/or
 - (b) cancellation, termination, or suspension of the contract, in whole or in part.
- (6) **Incorporation of Provisions.** The Contractor shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The Contractor shall take such action with respect to any subcontract or procurement as Galveston County or the Texas Department of Transportation may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that, in the event Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Contractor may request Galveston County to enter into such litigation to protect the interests of Galveston County, and, in addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

57. **CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS**

Proposer certifies that neither it, nor any of its Principals, are presently debarred, suspended, proposed for debarment, disqualified, excluded, or in any way declared ineligible for the award of contracts by any Federal agency. Contractor agrees that it shall refund Galveston County for any payments made to Contractor while ineligible. Contractor acknowledges that Contractor's uncured failure to perform under this Agreement, if such should occur, may result in Contractor being debarred from performing additional work for the County, the GLO, the State, HUD, and other Federal and State entities. Further, Proposer has executed the Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters and returned the fully completed and executed original certification with the submission of its proposal. **The truthful and fully completed and executed original of the Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters must be included with the submission of Proposer's proposal and is a mandatory requirement of this RFP. Proposer's failure to include the fully completed and executed original of this Certification shall be considered non-compliance with the requirements of this RFP and grounds for the rejection of Proposer's proposal.**

58. **SECTION 231.006, FAMILY CODE/DELINQUENT CHILD SUPPORT**

Pursuant to Title 5, Section 231.006 of the Texas Family Code, as applicable, Proposer certifies by the submission of its proposal that Proposer, including all of its principals, is/are current in child support payments and therefore, that it is eligible to receive payments from State funds under a contract for property, materials, or services. Proposer acknowledges and agrees that if it is awarded this contract, then the ensuing agreement may be terminated and payment withheld if this certification is inaccurate. Finally, by the submission of its proposal, the Proposer certifies that it has included the names and social security numbers of each person with at least 25% ownership interest in Proposer within its response to the RFP and that all such persons are current in child support payments.

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59. ANTITRUST

Pursuant to 15 U.S.C. § 1, et seq., and Texas Business and Commerce Code, Chapter 15, Contractor, by the submission of its proposal, certifies that neither Contractor nor any natural person, proprietorship, firm, corporation, partnership, association, or institution represented by Contractor or anyone acting for such natural person, proprietorship, firm, corporation, partnership, association, or institution has violated any Federal or State antitrust laws or communicated the nature of the offer, directly or indirectly, to any competitor or other person engaged in a similar line of business.

60. LABOR STANDARDS

Proposer acknowledges that the contract to be awarded pursuant to this RFP is on a grant program funded with Federal funds. Proposer shall comply with the requirements of 29 CFR Part 5 and CFR Part 30 and shall be in conformity with Executive Order 11246, entitled "Equal Employment Opportunity", Copeland, "Anti-Kickback" Act (29 C.F.R. Part 3), the Davis-Bacon and Related Acts (29 C.F.R. Parts 1,3, and 5), the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701 et seq.), and all other applicable Federal, State, and local laws and regulations pertaining to labor standards, insofar as those acts apply to the performance of this Agreement. Proposer is also responsible for ensuring that all subcontractors comply with the requirements of 29 CFR Part 5 and CFR Part 30 and shall be in conformity with Executive Order 11246, entitled "Equal Employment Opportunity", Copeland "Anti-Kickback" Act, the Davis-Bacon and Related Acts (29 CFR Parts 1, 3 and 5), the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701 et seq.), and all other applicable Federal, State, and local laws and regulations pertaining to labor standards, insofar as those acts apply to the performance of this Agreement.

Special Provisions begin on the next page

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SPECIAL PROVISIONS

61. BACKGROUND INFORMATION

Hurricane Ike struck Galveston County on September 12 -13, 2008, inflicting catastrophic damage within Galveston County, and resulting in a Presidential declaration of a major natural disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), number FEMA-1791-DR, which covers, inter alia, Galveston County. Thereafter, in response to overwhelming disaster recovery needs, the United States Department of Housing and Urban Development (HUD) made funds available to the State for disaster recovery through its Community Development Block Grant – Disaster Recovery Supplemental program (CDBG-DRS) - made available pursuant to the Consolidated Security, Disaster Assistance and Continuing Appropriations Act, Public Law 110-329; these funds are to facilitate disaster recovery, restoration, economic revitalization, and to affirmatively further fair housing.

Galveston County is a sub-recipient in the CDBG-DRS grant to the State of Texas (State) and is continuing to participate in Round 2, Phase 2 of the CDBG-DRS grant (commonly referred to as Round 2.2). Under this grant, the County has entered into a contract with the Texas General Land Office (GLO), the State agency administering the grant to the State, for Round 2.2, which includes a multifamily rental housing program (Program) for affordable rental housing. The contract between Galveston County and the GLO is GLO Contract No. 12-511-000-6725. The prior State agency that administered the CDBG-DRS was the Texas Department of Housing and Community Affairs (TDHCA). The TDHCA adopted guidelines for Round 2, which continue to apply in Round 2.2 (State Guidelines); this Program is subject to the State Guidelines.

This request for proposal for the rehabilitation, reconstruction, and/or new construction of affordable multifamily rental housing units and single-family units (eight or more) under common ownership within Galveston County's area of jurisdiction is subject to all applicable federal, State, and local laws, rules, requirements and guidelines covering programs assisted with HUD and CDBG funds.

Thus, Galveston County is seeking proposals for the rehabilitation, reconstruction, and/or new construction of multifamily housing units and/or single family units under common ownership of at least eight (8) such rental units within Galveston County's jurisdictional area for the Program. Galveston County may award one or more projects under this request for proposal.

Galveston County's jurisdictional area for the Program includes all unincorporated areas of Galveston County (County) and all incorporated areas within Galveston County in the following municipalities: Bayou Vista, Clear Lake Shores, Dickinson, Friendswood, Hitchcock, Jamaica Beach, Kemah, La Marque, League City, Santa Fe, Texas City, and Village of Tiki Island. For further clarification, the County's jurisdictional area does not include the City of Galveston, as the City of Galveston has received its own direct allocation; thus any development within the City of Galveston is not eligible under the County's program.

At a minimum, at least 51% of the total number of units in the development must benefit very low to moderate income persons earning 80% or less of Area Median Income (AMI) as defined by HUD and detailed in the Housing and Community Development Act of 1974 (HCDA), Title 1, 105(a). As well, at least 51% of the housing units must be restricted during the affordability period of ten (10) years for very low to moderate income persons (LMI – 80% of AMI or less).

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Notwithstanding the foregoing paragraph, higher thresholds apply beyond the 51% in Galveston County; the GLO has determined that the rental unit occupancy must satisfy the Rental Needs Assessment Calculations from the H-GAC, updated April 15, 2014. Please refer to subsection (c) below for further information on this requirement.

Rents, at a minimum, must comply with HOME Investment Partnership Program (HOME) High Home Rent Limits and existing Land Use Restriction Agreement (LURA) restrictions, if applicable. HOME rent limits are defined by HUD and must equal the lesser of fair market rents or 30% of the adjusted income for people earning 65% of the AMI and can be found on the HUD website at:

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/>.

A LURA will be placed on each multi-family development or single-family under common ownership development assisted pursuant to this Program. Any applicable lenders must agree to subordinate to the LURA. There is a ten (10) year affordability period under the LURA.

The County was allocated \$6,932,857.00 in the Round 2.2 for the Program, of which \$3,900,000.00 remains available for the rehabilitation, reconstruction, and/or new construction of affordable multifamily rental housing.

Proposers may submit proposed projects for less than the \$3,900,000.00 funds remaining, or up to that full amount, or for more than that amount in the instance of projects with multiple funding sources. Provided however, all proposers are advised that these grant funds/award to proposer, if proposer is awarded a contract under this Program, shall not be used as security, collateral, or other financial mechanism/device for the proposer to obtain outside funding (for example, loans, lines of credit, etc.) for its project in those circumstances wherein the proposer is seeking additional funding/drawing on a line of credit/construction loan/etc.; the funds awarded under this Program may not be encumbered, dedicated, pledged, or in any way committed to serve as collateral/security for any additional funding that proposer proposes to perform its proposed project. By the submission of its proposal, proposer acknowledges and agrees to this prohibition.

Qualifying Statement: By submission of its proposal, the Proposer expressly acknowledges that the Program is subject to all applicable Federal, State, and Local laws, rules, regulations, orders, ordinances, and/or codes and the County's contract with the Texas General Land Office for the implementation and administration of the Program and that if Proposer is successful under this procurement that all of Proposer's activities hereunder shall be in compliance with all such requirements.

62. SCOPE

- a. **Affordable multifamily rental housing.** The County of Galveston is seeking proposals from qualified proposers to develop multifamily housing units, including but not limited to multifamily housing units, senior living facilities, and single-family units under common ownership, in Galveston County for the Program for affirmatively furthering fair housing in the County's jurisdictional area beginning upon or about the date of full execution of contract between the County of Galveston and the Texas General Land Office (GLO) and continuing for twelve (12) months thereafter. Multifamily housing refers to rental housing with eight (8) or more rental units in the property.

Proposers are advised to review this entire solicitation. Proposers are cautioned to examine all terms, conditions, specifications, drawings, exhibits, addenda, delivery instructions and general and special conditions pertaining to

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this RFP. Proposer's failure to examine all documents shall not entitle the proposer to any relief from the conditions imposed in this request for proposal and the resultant contract.

Proposers must clearly demonstrate their ability to complete construction within 12 months from the award date and must clearly demonstrate that they have the financial capacity to undertake, sustain, complete, and maintain their proposed project.

- b. **The Work.** The project consists of the development of residential units and/or apartments as well as senior living facilities to encourage deeper levels of affordable rental housing in the County's jurisdictional area for the Program. The project may consist of performing demolition and total removal of all standing structural components and building debris prior to initiating new reconstruction. Some housing developments will require elevation above FEMA BFE and common areas and units are subject to a Uniform Physical Conditions Standards. Selected development(s) are also responsible for performing investigation of Lead and Asbestos Containing Materials and may be required to do Lead and Asbestos Abatement; if required. All activities shall be performed in accordance with all applicable construction/environmental and any other Federal, State, and local laws, rules, regulations, ordinances and orders.
- c. **LMI.** At a minimum, at least 51% of the total number of units in the development must benefit very low to moderate income persons earning 80% or less of Area Median Income (AMI) as defined by HUD and detailed in the Housing and Community Development Act of 1974 (HCDA), Title 1, 105(a). As well, at least 51% of the housing units must be restricted during the affordability period of ten (10) years for very low to moderate income persons (LMI – 80% of AMI or less).

Provided however, that a higher percentage of units in the development must benefit very low to moderate income persons in Galveston County. Galveston County is subject to the Conciliation Agreement approved by HUD effective May 25, 2010 and thus a higher threshold of LMI applies to the development. Accordingly, the LURA must capture the needs assessment guidance and percentages required for Galveston County by the Houston-Galveston Area Council of Governments (H-GAC). The County has been advised that the threshold required due to the Conciliation Agreement will be satisfied if, at minimum, the rental occupancy complies with the H-GAC Rental Needs Assessment, updated April 15, 2014. The H-GAC Rental Needs Assessment Calculations updated April 15, 2014 reflects the following figures:

LMI Category	LMI Category %
Very Low	35%
Low	22%
Moderate	11%
Non-LMI	32%
	100%

- A Proposer may overserve a lower income category by reallocating units from any higher income category;
- A Proposer cannot overserve a higher income category from a lower income category; and
- Non-LMI units do not have a minimum that need to be served and thus can be allocated amongst all three LMI categories.

The above is a summary; more information may be obtained through the State Guidelines.

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Rents, at a minimum, must comply with HOME Investment Partnership Program (HOME) High Home Rent Limits and existing Land Use Restriction Agreement (LURA) restrictions, if applicable. HOME rent limits are defined by HUD and must equal the lesser of fair market rents or 30% of the adjusted income for people earning 65% of the AMI and can be found on the HUD website at:

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/>.

- d. **State and County Guidelines.** The Program is subject to the State Guidelines, which may be accessed by visiting the following website:

<http://www.glo.texas.gov/GLO/documents/disaster-recovery/housing/subrecipients/ike-round2-housing-program-guidelines.pdf>.

Attachment C of the State Guidelines is specific to the rental program for Round 2 (including Round 2.2). A copy of Attachment C of the State Guidelines is enclosed within the packet for this RFP. Compliance with the State Guidelines is required.

The County has also adopted guidelines for the Program, which have been reviewed and approved by the GLO (County Guidelines). Compliance with the County Guidelines is required. A copy of the County Guidelines is enclosed within the packet for this RFP.

- e. **Land Use Restriction Agreement.** A LURA will be placed on each multi-family development assisted pursuant to this Program. The LURA must be approved by the GLO and must be filed in the real property records within the Office of the Galveston County Clerk. Any applicable lenders must agree to subordinate to the LURA. The Developer/Borrower will guarantee completion of construction until a certificate of occupancy has been issued and retainage has been released. There is a ten (10) year affordability period under the LURA. Additionally, the LURA will require all multi-family projects and project with 20 or more single-family units under common ownership to accept Section 8 housing choice rental vouchers during the affordability period.
- f. **Labor Standards/Davis Bacon Applicable.** Proposer must comply with all applicable labor standards, including but not limited to Davis-Bacon wages, Section 3, Minority/Business Enterprise, and Small Business Enterprise. Davis Bacon Wage requirements apply to construction on CDBG-DRS funded rental housing with eight (8) or more rental units in a property and thus apply in this Program. Proposer agrees that it must pay prevailing wages on all construction and related work on projects that have eight (8) or more units. Additionally, see subsection (k) of this section.
- g. **Eligible and Prohibited Activities.** Eligible activities are the rehabilitation, reconstruction, or new construction of residential rental single-family housing units under common ownership, multi-family rental housing units, and/or senior living facilities. Single-family rental sites under common ownership may be considered as part of an overall plan provided that there are at least eight (8) rental units. All activities must be allowable under 24 C.F.R. Part 570, the State Guidelines, the County Guidelines, and all other applicable Federal, State, and local requirements. All developments must be in compliance with the Fair Housing Act. Any other activity is prohibited unless such activity is in conformance with all HUD requirements and prior written approval from the County and the GLO is obtained. For purposes of this contract, the terms rehabilitation, reconstruction, and new construction mean the following in this Program:

Rehabilitation in this Program means the repair or restoration of an existing structure to applicable construction codes and standards;

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Reconstruction in this Program means the rebuilding of a fully new structure from the foundation up in substantially the same footprint. This term encompasses demolition (i.e., clearance and proposer disposal) of the previous structure, when applicable; and

New construction in this Program means the constructing of a fully new structure from the foundation up that is outside the previous structure's footprint.

Notwithstanding the foregoing, the terms "rehabilitation", "reconstruction", and "new construction" under this Program must comply with all applicable HUD, CDBG, and CDBG-DRS requirements, State Guidelines, County Guidelines, and the County's contract with the Texas General Land Office for the implementation and administration of this Program.

For clarity, if proposer's proposed project includes acquisition costs (i.e., because the site for the proposed project is not currently owned by the proposer) – proposer is advised that acquisition costs are **not** eligible under the Program; acquisition costs are ineligible.

- h. **Current in Payment of Ad Valorem Taxes.** All required property taxes must be current for the existing property and the proposed project site (if such property is different from the existing site).
- i. **Site and Development Restrictions.** Prior to submission of the proposal, the site must be under the control of the proposer or related party, and the proposer must demonstrate the ability to maintain control for at least six (6) months after the proposal deadline. Proposer may demonstrate site control by providing a copy of the deed for the property evidencing that the property is owned by proposer, a closing statement clearly identifying the property, or an executed letter of intent/agreement from a land or property seller. The site should not be in a designated Target Area for relocation according to the Needs Assessment, as amended if applicable, unless the location is part of an approved Affirmatively Furthering Fair Housing Plan or unless otherwise approved. The Needs Assessment for Galveston County was performed by Shaw Environmental & Infrastructure, Inc. and approved by the GLO; the Needs Assessment may be accessed by visiting URL <http://www.galvestoncountytexas.gov/hd/Pages/Needs-Assessment.aspx>. Proposers must show the ability to complete construction within twelve (12) months or less from the award date. Each proposer acknowledges that each development assisted with CDBG-DRS funds must be environmentally cleared. The environmental assessment reviews the wetlands, coastal zones, flood zones and runway clear zones. Sites that have been determined to be in a Coastal Barrier Resource Zone or an airport runway clear zone are ineligible.
- j. **Construction.** Housing must meet all applicable Federal, State, and local laws, rules, regulations, codes, orders, ordinances, rehabilitation standards, and zoning ordinances. When the project is for a rehabilitation development, the entire unit must be brought up to the applicable property standards and meet Housing Quality Standards. All newly constructed including reconstructed housing units must meet the current edition of the Model Energy Code (MEC), (<http://www.energycodes.gov>) published by the Council of American Building Officials. Housing must meet all accessibility requirements at 24 C.F.R. Part 8, which implements Section 504 of the Rehabilitation Act of 1973. Housing must meet the design and construction requirements of the Texas Administrative Code, Title 10, Chapter 60, Subchapter B, 10 T.A.C. §§ 60.201-60.211. Covered multifamily dwellings, as defined at 24 C.F.R. § 100.201, as well as common use facilities in developments covered cover dwellings must meet the design and construction requirements at 24 C.F.R. § 100.205, which implement the Fair Housing Act. Proposer must comply with all applicable laws and regulations with respect to lead based paint in conjunction with Section 302 of the Lead Based Paint Poisoning Prevention Act, 42 U.S.C. § 4831(b), as well as with all applicable laws, rules, and regulations pertaining to the presence of asbestos containing materials within the project.

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- k. **Federal and State Compliance.** Proposer must comply with Labor Standards, Section 3 Plan, Minority/Business Enterprise (MBE), Small Business Enterprise requirements, Affirmative Marketing, Contractor Clearance, and all other applicable Federal and State laws and regulations. All contracts will be payment and performance bonded. All projects are subject to The Davis-Bacon Wage Act (40 U.S.C. §§ 276a-276a-5, 24 C.F.R., Part 70), The Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), The Copeland Anti-Kickback Act (18 U.S.C. § 874), Section 3 (24 C.F.R., Part 135) requirements, reporting and goals and should budget accordingly.
- l. **Project Costs.** In accordance with the State Guidelines, all project costs must be reasonable and customary as determined by an acceptable independent third party report or considered reasonable as documented by a bidding process. All project costs must be reasonable and allowable. Proposer acknowledges that all costs must be reasonable and allowable in accordance with Federal, State, and local laws, rules, regulations, guidelines and requirements. A ten percent (10%) retainage on each draw shall be held until satisfactory completion of the project. Contractor further acknowledges that all costs and documentation related thereto is subject to OMB Circular A-87 (relocated to 2 C.F.R. Part 225), which establishes principles and standards for determining costs for Federal awards carried out through grants to state and local governments and Proposer agrees that its' expenditures, accounting, invoicing, and record-keeping are subject its strictures. The allowance of costs shall be determined in accordance with HUD and CDBG requirements.
- m. **Monitoring.** Monitoring will be conducted on the project throughout the affordability period. Monitoring includes, but is not limited to, on-site inspections to ensure compliance with Housing Quality Standards, and monitoring to ensure compliance with the CDBG regulations, and monitoring of rental records. Monitoring is further discussed in Attachment C of the State Guidelines. Proposer acknowledges that it shall allow access to authorized representatives of the County, State, and Federal entities to ensure such compliance. Further, proposer must retain a management firm to conduct monitoring and report the results and reports thereof to the County on a regular basis in compliance with HUD and CDBG laws and regulations throughout the affordability period.

63. TERM OF CONTRACT

The County expects to award one or more contracts, each for a term of one (1) year. However, the contract may be extended at the discretion of the County upon providing written notice to the successful proposer at least thirty (30) calendar days prior to the end date of the contract.

64. RECORDS RETENTION AND RIGHT TO AUDIT

This Section 64 of Special Provisions supersedes Section 55 of the General Provisions. The Program is subject to a ten (10) year affordability period. Proposer shall maintain all records associated with this contract for a minimum of ten (10) years from the close of the contract or as required by Federal or State law or regulation, whichever period is longer. If awarded this contract, Proposer shall allow the County reasonable access to the records in Proposer's possession, custody, or control that the County deems necessary to assist it in auditing the services, costs, and payments provided hereunder. As this contract involves the use of Federal or State funds, the Proposer shall also allow reasonable access to representatives of the Office of Inspector General, the General Accounting Office, the GLO, the State Auditor's Office, and the other Federal and/or State agencies overseeing the funds that such entities deem necessary to facilitate review by such agencies and Proposer shall, at minimum, maintain fiscal records and supporting documentation for all expenditures in a manner that conforms with OMB Circular A-87 (relocated to 2 C.F.R. Part 225) and this contract.

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65. PROPOSAL SUBMISSIONS

- a. **Response Format.** Proposers should be aware that the content and clarity of its proposal are critical. Each proposal shall be submitted using the following format:
- 1.) **Page limit and size** – no page limit is specified. Paper size should be 8 ½ x 11. If proposer uses oversized pages/pull-out pages, those pages must be folded to accommodate the size limit.
 - 2.) **Table of contents** - Proposers must utilize a table of contents and identify and tab the separate sections within its proposal. Proposer may also tab separate subsections if the tabbing improves the clarity and ease of review of the proposal.
 - 3.) **Introductory letter** from proposer – the introductory letter must be signed by an authorized representative of the proposer. The introductory information must list the contact information of the person that the proposer designates to be the contact person in the event the County wishes to contact the proposer – the contact information must include the name of the person, the person’s title/position with the proposer, the address of the contact person, the phone number to the contact person, the facsimile number for the contact person, and the email address of the contact person. A proposal form is provided for the purpose of providing proposer’s contact information and must be used with the proposer’s submission. Proposer should use the form along with its own introductory letter.
 - 4.) **Executive summary** of proposed project – proposer should provide a brief synopsis of its proposed project within the executive summary and summarize how the project affirmatively furthers fair housing.
 - 5.) **References** – proposer shall submit at least five (5) references; of the five (5): at least three (3) should be for contracts of similar size and scope, and at least two (2) shall be for current contracts or those awarded during the past three (3) calendar years. Each listed reference shall include the name of the corporation/public entity (i.e., the respective entity) that proposer contracted with, the length of the contract, a brief summary of the work, and the name and telephone number of a responsible contact person at that entity. Proposal form reference sheets are enclosed for this purpose – Proposer must use the forms and may also enclosed additional pages for the reference information.
 - 6.) **Corporate profile.** Under this section of the response, the proposer shall provide thorough background, biographical, and organizational information on proposer and the organizational structure it shall utilize for the project; this section, at minimum, shall
 - a.) describe proposer’s company/firm/team experience in developing and maintaining affordable rental housing and compliance with HUD and CDBG requirements;
 - b.) list all proposed subcontractors, suppliers, and other team members;
 - c.) list whether proposer has any financial interest in any subcontractor, supplier, or other team member and if so, explain the interest;
 - d.) describe the proposer’s company background, which shall include:
 - i.) name of proposer - proposer must provide its complete name. If proposer is doing business under a trade name/assumed name/d/b/a, proposer must provide its full name, this includes the complete name/identity of the entity that the name is registered to;
 - ii.) address; proposer must provide its local address, to include both physical and mailing addresses, and the address of its’ home/headquarter office as well as the local office (if the home/headquarter office is different than the local address), to include both physical and mailing addresses of both such locations;
 - iii.) phone number, to include phone numbers for key members of its team;
 - iv.) facsimile number;
 - v.) total number of years in business under proposer’s present name;
 - vi.) total number of years in business under predecessor name, if applicable, and provide complete name of predecessor entity as well;
 - vii.) business entity – proposer must identify what kind of entity it is (i.e., corporation, partnership,

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- viii.) non-profit corporation, etc.); incorporation – proposer must list the year in which it was incorporated and the state in which it is incorporated;
 - ix.) registered to do business in Texas – proposer must provide certification that proposer is registered to do business in the State of Texas with the Secretary of State of the State of Texas and that proposer’s registration with the Texas Secretary of State is in good standing. If proposer is doing business under a trade/assumed name, then it also must provide proof that such name is also listed with the Texas Secretary of State (if proposer is incorporated);
 - x.) disclose all shareholders in proposer owning 15% or more interest in proposer; and
 - xi.) if the proposer is a joint venture or partnership, then proposer must provide a written agreement or description specifying the role of each organization project is performing in the project;
 - e.) Personnel and other persons. Proposer shall include resumes of all those who will be involved in the development and management of this project – this includes, but is not limited to, the resumes of its key personnel, its management agent, the engineer and architect that proposer will be using, and of all persons with 15% or more ownership interest in proposer. Resumes should describe each person’s experience in the area of service delivery. Proposer should also indicate the level of involvement by principals of the proposer in the day to day operation of the contract;
 - f.) Organizational chart(s). Proposer shall include the proposer’s organizational chart and the organizational chart for the implementation of the project (if different); and
 - g.) Financial capacity. Proposer must affirmatively demonstrate proof of its financial capacity so that a determination can be made that the proposer is capable of timely undertaking, sustaining, and completing the project.
- 7.) **Prior default.** Proposer shall answer whether proposer has ever defaulted, for the last ten (10) years, on a similar project or on any project involving the use of Federal funds. If so, proposer should explain the circumstances and the outcome. If the proposer has had any name change or other corporate restructuring within this period, then it shall likewise list this information for any predecessor entity.
- 8.) **Financial statements.** Proposer shall provide a copy of its 2012 and 2013 financial statements and a copy of its most recent audited annual report.
- 9.) **Comparable experience.** Proposer, at minimum, must:
- a.) provide the number of years (duration) experience in developing the type of work for projects similar to that described in this RFP.
 - b.) provide a description of other similar contracts involving the type of work requested in this RFP wherein it has performed services – this should include a summary of the projects, outcome, contact reference, address, and telephone number; and
 - c.) provide a description of proposer’s management agent (if applicable) experience in developing the type of work for projects similar to that described in this RFP.
- 10.) **Litigation history.** Proposer must detail any current, pending, resolved, and settled litigation brought by or against the proposer at any time for the last five (5) years. This information must include, at minimum, the following information for each case: the cause number; the court that each case was/is pending within; identify the parties in each case; a short description of the cause of actions/dispute; and describe how the case was resolved or identify whether it is still pending. If the proposer has had any name change or other corporate restructuring within this period, then it shall likewise list this information for any predecessor entity.
- 11.) **Terminated contracts.** Proposer must identify all contracts with public entities that have been terminated prior to the end date of the contract. This includes identifying any contracts, for the last five (5) years, with local, state, or federal entities that have been terminated for cause or convenience, to include identifying who the contract was with, and providing a description of the contract and why it was terminated. If proposer has had any name change or other corporate restructuring within this period, then it shall likewise list this information for any predecessor entity.
- 12.) **Identify disallowed funds and/or negative HUD/OIG findings.** Proposer shall answer whether, in the last

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ten (10) years, it has ever been the subject of any negative HUD/OIG audit(s) or finding(s) and whether it has ever had any funds paid to it under previous contracts involving the use of federal funds that were subsequently disallowed. Proposer is required to answer this question regardless of whether the answer is yes or no. If the answer is yes, to either or both negative findings and/or disallowed funds, then proposer is required to explain the circumstances and outcome of such negative findings/audit and/or disallowed funds, including providing documentation of the stated outcome. If proposer has had any name change or other corporate restructuring within this period, then it shall likewise provide this information for any predecessor entity.

- 13.) **Debarment certification.** By the submission of its proposal, the proposer certifies that it is not debarred, suspended, proposed for debarment, proposed for suspension, or otherwise ineligible for participation in this Program, which involves the use of HUD funds. Additionally, Proposer must include a truthfully and fully completed and notarized debarment certification using the form provided for this certification with its proposal response. See Section 57 of the General Provisions and the enclosed certification form. If the proposer has had any name change or other corporate restructuring and its predecessor entity was debarred, suspended, or otherwise ineligible for contracts involving the use of federal funds or proposed for such debarment, suspension, and/or ineligibility, then proposer shall identify this within its proposal response and should include the name of its predecessor entity and an explanation of the circumstances related to the debarment, suspension, or ineligibility.
 - 14.) **Non-collusion certification.** By the submission of its proposal, the proposer certifies that it has not colluded in the preparation and submission of its proposal nor in the preparation and submission of any competitor's proposal. Additionally, proposer must include a truthfully and fully completed and notarized Non-Collusion Affidavit, using the form provided for this affidavit, with its proposal response. See Section 42 of the General Provisions and the enclosed Non-Collusion Affidavit.
 - 15.) **Not delinquent in payment of child support.** In its response, the proposer must expressly acknowledge the certification listed within Section 58 of the General Provisions.
 - 16.) **Proposed Project.** The information required on this is described in subsection b immediately below.
 - 17.) **Acceptance/Exceptions to Conditions.** If proposer is excepting to any of the conditions in this RFP, it must comply with Section 10 of the General Conditions.
 - 18.) **Vendor Packet Information.** Proposer must also enclose a completed W-9 form, as well as the non-collusion affidavit, debarment certification, and proposal form within its response to this procurement;
 - 19.) **Sample Contract/Material Terms and Conditions** – proposer is requested to submit a sample contract or its proposed material terms and conditions in the event it is awarded a contract pursuant to this procurement.
 - 20.) **Additional information.** Proposer should provide any additional information that will aid in the clarity of its submission and the evaluation of its response in this procurement.
- b. **Proposed Project.** In this section of its proposal, proposer must provide a detailed description of its proposed project and associated information.
- 1.) **Project description and narrative.** Proposer must provide a detailed description of its proposed project and provide a detailed plan narrative. This section should describe the total number of units, the number of units to be assisted, and the type of units. This section should describe in detail how the service will be provided and should also include a description of major tasks and subtasks. The plan narrative shall include a timeline for execution of the proposed project.
 - 2.) **AFFH and community feasibility.** Proposer must clearly demonstrate how the proposed project will affirmatively further fair housing. Proposer should demonstrate how the proposed project will replenish low to moderate income rental units that were destroyed and/or damaged by Hurricane Ike. Information in this section shall include demographic and community information and provide a community feasibility analysis showing how the project is functionally feasible within the community for which it is planned. This section must also describe how the availability of the proposed rental units would benefit the community and public and demonstrate the tangible benefit, including economic benefit, to the local community in which the project

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- is proposed to be located; thus, this information will be critical for reviewing for community feasibility. This section will identify and describe the project's demographic characteristics and that of the surrounding community, to include a description of the access to basic services, such as distance to schools or school bus stops, public transit, childcare, social/recreational services, etc. Demographic/community information that must be included within this section, includes (but is not limited to as proposers may provide additional information beyond that stated within this subsection), the following:
- a.) Map showing the location of each proposed project(s), including, if applicable, the location of any associated development/redevelopment;
 - b.) The proposed project location should include address and census block group number;
 - c.) The Median Area Income levels and racial profiles of the census tract where:
 - i. The proposed development is located; and
 - ii. Galveston County as a whole;
 - d.) School ratings for the elementary, middle, and high schools for the area of the proposed project(s) location;
 - e.) Rental rates in the project area;
 - f.) Rental inventory in the project area;
 - g.) Employment in the project area and community information for the current workforce;
 - h.) List of all environmental or negative uses within ¼ mile of the proposed development; and
 - i.) Rent prioritization – Proposer is required to establish and implement rent prioritization, which must, minimally, satisfy the Rental Needs Assessment Calculations of the H-GAC updated April 15, 2014. Please refer to Section 62(c) of this RFP. Proposer must clearly explain its rent prioritization and show how its rent prioritization will satisfy the required rental needs assessment calculations.
- 3.) **Financial Feasibility/Cost.** Proposer must detail cost and pricing information to support its funding request. Proposer should include the number of personnel to be assigned to the contract and the total estimated cost of the labor portion of the contract (include a staffing chart).
- 4.) **New construction/reconstruction.** Projects involving new construction/reconstruction must also include the following:
- a.) Preliminary plans and specifications;
 - b.) Preliminary Site plans; and
 - c.) Environmental assessment.
- 5.) **Rehabilitation.** Projects involving rehabilitation must also include the following:
- a.) Physical Needs Assessment; and
 - b.) Work write up demonstrating completion of items reflected in physical needs assessment.
- 6.) **Readiness to Proceed.** Proposer must:
- a.) Demonstrate ability to deliver the proposed project; and
 - b.) Commitment and letters of interest are encouraged.
- 7.) **Schedule.** Proposer must provide a work breakdown schedule (schedule of activities) to include describing timelines, major milestones, and major deliverables.
- 8.) **Monitoring.** Proposer must clearly describe what monitoring methods it will employ to provide the required information to the County during the affordability period.
- 9.) **HUD and CDBG Compliance.** Proposer must:
- a.) Demonstrate the proposer's ability to meet HUD and CDBG regulations and requirements and under allocations made pursuant to Public Law 109-234, Public Law 109-148, and Public Law 110-329; and
 - b.) Provide an acknowledgement that the project will follow all applicable environmental laws and regulations, Fair Housing Act Section 3, HUD, CDBG, as well as all other applicable Federal, State, and local laws, rules, regulations, orders, ordinances, and requirements.
- 10.) **Ability to complete project within time frame.** Proposer must clearly demonstrate proposer's ability to expend the funds, meaning spend the dollars and place the units in service (as demonstrated by a certificate of

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occupancy from the jurisdiction in which the project is located and having the units available for occupancy by income-eligible households) within the proposed timeframe.

66. BID/PROPOSAL GUARANTEE

This procurement requires a bid/proposal guarantee. Proposer should refer to Section 37 within the General Provisions of this RFP for bid/proposal guarantee requirements.

67. PERFORMANCE AND PAYMENT BONDS

This contract requires performance and payment bonds. Proposer should adhere to the Performance and Payment Bond instructions outlined in the General Provisions, Section 38, Performance and Payment Bonds.

In addition to the requirements stated above, the proposer shall provide a statement from a certified bonding company, authorized to do business in the State of Texas, that their firm can obtain payment bonds and performance bonds in the amount of the estimated project cost upon execution of the contract. For clarity, if the proposed project is for a sum greater than the amount available under the Program, the bonds must be for the entire project amount.

The bond(s) are to be made payable to the County of Galveston. They shall be written on forms provided by the surety for residential construction projects in Texas. A surety licensed to do business in the State of Texas must execute the bond.

68. CONFLICT OF INTEREST

By submission of its proposal, the Proposer expressly acknowledges and certifies that:

- a. No member of the County's governing body, and no employee, officer, or agent of the County shall participate in the selection or in the award of administration of a subcontract supported by grant funds if a conflict of interest, real or apparent, would be involved. Such a conflict of interest would arise when: 1.) the employee, officer, or agent, 2.) any member of his or her immediate family, 3.) his or her partner, or 4.) any organization which employs, or is about to employ any of the above; has a financial or other interest in the firm or person selected to perform the subcontract. County shall comply with Chapter 171 of the Texas Local Government Code and 24 C.F.R. § 570.489(h).
- b. In all cases not governed by subsection (a) of this Section, no person specified in subsection (c) of this Section, who exercises any functions or responsibilities in connection with the planning and carrying out of the project, or who are in a position to participate in decision making process or gain inside information with regard to activities under this Agreement, may obtain a financial interest or benefit from the activity, or have an interest or benefit from the activity, or have any interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties during their tenure or for (1) year thereafter.
- c. The conflict of interest provisions of subsection (b) apply to any person who is an employee, agent, consultant, officer, elected official, or appointed official of the County or of the Contractor.

69. CERTIFICATION REGARDING LOBBYING.

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Proposer, by the submission of its proposal, certifies, to the best of its knowledge and belief, that:

- a. No federal appropriated funds have been paid or will be paid, by or on behalf of the proposer, to any person for influencing or attempting to influence a department or employee of an agency, a member of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence a department or employee of any agency, a member of Congress, a department or employee of congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the proposer shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- c. Proposer shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

70. HOUSING AND URBAN DEVELOPMENT ACT, SECTION 3 COMPLIANCE

- a. The work to be performed under this agreement is on a project assisted under a program providing direct federal financial assistance from the HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- b. The parties to this agreement will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 C.F.R. Part 135, and all applicable rules and orders of the TDHCA and/or GLO, as applicable, issued thereunder prior to the execution of this agreement. The parties to this agreement certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- c. The Contractor will send to each labor organization or representative of workers with which Contractor has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or workers representative of Contractor's commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- d. The Contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 C.F.R. Part 135. Contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 C.F.R. Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- e. Compliance with the provisions of Section 3, the regulations set forth in 24 C.F.R. Part 135, and all applicable rules and orders of the TDHCA and/or GLO, as applicable, issued hereunder prior to the execution of the contract, shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its

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successors and assigns. Failure to fulfill these requirements shall subject the applicant, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided, and to such sanctions as are specified by 24 C.F.R. Part 135.

71. ETHICS IN PUBLIC CONTRACTING

By the submission of its proposal, Proposer certifies that it has not paid, offered to pay, or agreed to pay, directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any County officer or employee in connection in any manner with this request for proposal.

Proposer acknowledges that no officer or employee of the County of Galveston, and no other public or elected official, or employee who may exercise any function or responsibilities in the review or approval of this undertaking, shall have any personal or financial interest, direct or indirect, in this contract and the negotiation process for this contract.

72. PROCUREMENT TIMELINE

A timeline for this RFP and initial process is included below. Galveston County reserves the right to change these dates and will notify proposers of any changes:

Advertise RFP (first date of publication)	Wednesday	December 2, 2015
Advertise RFP (second date of publication)	Wednesday	December 9, 2015
Voluntary Pre-Proposal Conference	Wednesday	December 16, 2015 at 10:00 a.m.
Questions due from proposers (in writing)	Wednesday	December 23, 2015 (by 5:00 p.m.)
Proposals due from proposers/RFP Opening	Thursday	January 7, 2016 at 2:00 p.m.

73. VOLUNTARY PRE-PROPOSAL CONFERENCE

A voluntary pre-proposal conference is scheduled for Wednesday, December 16, 2015, to be held at 10:00 a.m. Attendance at the pre-proposal conference is recommended. This voluntary pre-proposal conference shall be held in the conference room of the Galveston County Purchasing Agent's Office, 722 Moody (aka 21st Street), 5th Floor, Galveston, Texas 77550. Any given person attending the pre-proposal conference on behalf of a prospective proposer may only represent one prospective proposer (i.e., the attendee cannot represent more than one prospective proposer). Attendees will fill-out an attendance list in which they will state their name, phone number, and which prospective proposer they represent.

74. REJECTION OF PROPOSAL

In addition to the grounds for rejection specified in Section 7 of the General Provisions, proposals may be rejected for the following reasons:

- a. The proposal contains unauthorized amendments to the requirements of the RFP;
- b. The proposal is incomplete or contains irregularities which make the proposal indefinite or ambiguous;
- c. The proposal is not received by the deadline;
- d. The proposal is not signed by an authorized representative of the proposer; and/or
- e. The proposal contains false or misleading statements or references.

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The listing within this Section 74 is not exhaustive and shall not be construed as limiting any grounds for rejection/disqualification by the County.

75. PROPOSAL DELIVERY

The information within this Section 75 is in addition to the information provided in Sections 1 and 3 of the General Provisions.

Proposals must be submitted by mail or by hand delivery. Proposals shall **not** be submitted by facsimile transmission or by electronic mail – thus, this Section 75 does not supersede Section 3 of the General Provisions.

Proposals must be received by the County Purchasing Agent on or before **Thursday, January 7, 2016 at 2:00 p.m.**, which is the date and time for the opening of proposals. Mailing date/postmark is **not** sufficient – proposals must be received by the County Purchasing Agent on or before the deadline.

All proposals must be clearly marked on the outside of the envelope "RFP # B161004 – CDBG-DRS Round 2 Rental Program for Galveston County". A label is provided within the solicitation package for this purpose – usage of the label that identifies the procurement is preferred, as the label prominently displays the requisite information.

76. EVALUATION AND AWARD

- a. **General Provisions.** The General Provisions set forth evaluation and award criteria, which remain applicable in this procurement; such criteria will be used in the evaluation of proposals and recommendation for award to the Commissioners Court in this procurement.
- b. **No obligation to contract.** The Commissioners Court may award one or more contracts pursuant to this request for proposal. Nonetheless, this request for proposal does not obligate the County to award any contract pursuant to this request for proposal nor does it obligate the County for any of proposer's costs associated with its proposal and a BAFO, if a BAFO is utilized. The County has reserved the right to: 1.) reject any and all proposals in whole or in part received by reason of this request for proposal, 2.) waive any informality in the proposals received, 3.) disregard the proposal of any proposer determined to be not responsible, and/or 4.) discontinue its efforts for any reason under this proposal package at any time prior to actual execution of contract by the County.
- c. **Evaluation Committee.**
 - 1.) All proposals will be examined by an evaluation committee. The evaluation committee may consist of five (5) members. Evaluation committee members shall read, review, and evaluate the proposals to formulate a recommendation to the Commissioners Court. Preliminary screening: Proposals that do not meet the minimum requirements of this request for proposal are subject to rejection by the evaluation committee and thus the committee is not required to evaluate and score any proposal not meeting the mandatory requirements of this procurement.
 - 2.) Proposals will be evaluated and ranked based on the following factors:
 - AFFH - the proposal needs to clearly demonstrate how the proposed project will replenish low to moderate income rental units that were destroyed and/or damaged by Hurricane Ike and how the

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- project will affirmatively further fair housing;
- Proposer experience and financial capacity - Proposer should clearly demonstrate its corporate profile, experience, and financial capacity. This should include providing such information for all members of the proposer's proposal team;
 - Financial feasibility – Proposer should demonstrate the cost reasonableness of the proposed project. Proposer's ability to provide an initial budget and financial feasibility should demonstrate proposer's ability to manage and implement the project through completion. This information should also clearly demonstrate the proposer's site control;
 - Community feasibility – proposer should demonstrate how the proposed project is functionally feasible within the community for which it is planned – this includes but is not limited to access to schools, public transportation, and workforce/employment centers;
 - Rent prioritization – proposer should list its rent prioritization schedule and clearly show how the priority to income levels in the rentals complies with federal and state requirements;
 - Tangible/community benefit – proposer should clearly demonstrate the tangible benefit, including economic benefit, to the local community in which the project is proposed to be located; and
 - Community support – proposer should demonstrate the community support for and participation in the proposed project.
- 3.) Selection and award. The Evaluation Committee will read, review, and evaluate proposals for the above, using the following scoring:

Overall Categories	Maximum Points
Affirmatively Furthering Fair Housing	10
Proposer Experience and Financial Capacity	15
Financial Feasibility	20
Community Feasibility	20
Rent Prioritization	10
Tangible/community benefit	15
Community Support	10
Total Points Possible	100

The evaluation process may include a request for additional information or an oral presentation to support the proposer's written proposal; all requests for such shall be made solely through the County Purchasing Agent. The County may also conduct additional evaluation processes, at the discretion of the evaluation committee – for example, such processes may include site visits, post-proposal discussions with proposers, or other means of evaluation. The County does not represent that the above criteria are the sole evaluation criteria and reserves the right to adjust the criteria at its discretion. The County reserves the right to reject any or all proposals, to waive any informalities or irregularities in the proposal or evaluation process, and to award contract(s) in the best interest of the County.

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Each proposer is cautioned that it is proposer's sole responsibility to submit information attributable to evaluation criteria and that the County is under no obligation to solicit such information. Proposer's failure to include and clearly identify such information may cause an adverse impact on the evaluation of proposer's proposal.

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PROPOSAL FORM

THE FIRM OF: _____

Address: _____

FEIN (TAX ID): _____

Hereby agrees to provide the requested services as defined herein for a total contract price of:

\$ _____

The following shall be enclosed with Proposer's proposal. Proposer's failure to do so is cause for rejection of proposal as non-responsive. It is the responsibility of the Proposer to ensure that Proposer has received all addenda.

Checklist:

Confirmed (X):

- | | |
|---|-------|
| 1. References (see following Proposal Form pages) | _____ |
| 2. One (1) original and nine (9) copies of submittal | _____ |
| 3. Sample Contract or Material Terms and Conditions | _____ |
| 4. Bid Bond/Guarantee | _____ |
| 5. W-9 | _____ |
| 6. Debarment Certification | _____ |
| 7. Non-Collusion Affidavit | _____ |
| 8. Copy of CIQ Form (original to County Clerk) | _____ |
| 9. All Proposal Form pages | _____ |
| 10. Exceptions to Proposal Conditions (if applicable) | _____ |

Proposer's person to contact regarding this proposal: _____

Title: _____ Phone: _____ Fax: _____

E-mail address: _____

Name of person authorized to bind the Firm: _____

Signature of person as authorized to bind the Firm: _____ Date: _____

Title: _____ Phone: _____ Fax: _____

E-mail address: _____

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GALVESTON COUNTY, TEXAS**

PROPOSAL FORM – REFERENCE INFORMATION

Please submit at least five (5) references including name of organization, the name and title of a contact person and telephone number for contact person, and a brief description of the project (number of employees, number of different jobs/classes, work performed, date of contract, etc.). Additional pages may be added as necessary to provide the brief description.

1. Firm/Public Entity Name _____
Contact _____
Title _____ E-mail _____
Mailing Address _____
Phone _____ Fax _____
Description _____

2. Firm/Public Entity Name _____
Contact _____
Title _____ E-mail _____
Mailing Address _____
Phone _____ Fax _____
Description _____

3. Firm/Public Entity Name _____
Contact _____
Title _____ E-mail _____
Mailing Address _____
Phone _____ Fax _____
Description _____

**SPECIAL PROVISIONS
CDBG-DRS ROUND 2 RENTAL PROGRAM FOR
GALVESTON COUNTY, TEXAS**

4. Firm/Public Entity Name _____
Contact _____
Title _____ E-mail _____
Mailing Address _____
Phone _____ Fax _____
Description _____

5. Firm/Public Entity Name _____
Contact _____
Title _____ E-mail _____
Mailing Address _____
Phone _____ Fax _____
Description _____

Proposers may use additional space/pages as necessary to completely provide and describe reference information

State of Texas
County of Galveston

§
§
§

NON-COLLUSION AFFIDAVIT

Before me, the undersigned notary, on this day personally appeared _____ (Affiant), whom being first duly sworn, deposes and certifies that:

- Affiant is the _____ of _____, that
(Individual, Partner, Corporate Officer) (Name of Proposer)
submitted the attached Bid/Proposal in **RFP No. B161004, CDBG-DRS Round 2 Rental Program for Galveston County, Texas;**
- Affiant is a duly authorized representative of Proposer and is authorized to make this Non-Collusion Affidavit;
- The attached Proposal/Bid is genuine and is not a collusive or sham Proposal/Bid;
- The attached Proposal/Bid has been independently arrived at without collusion with any other bidder, proposer, person, firm, competitor, or potential competitor;
- Bidder/Proposer has not colluded, conspired, connived or agreed, directly or indirectly, with any other bidder, proposer, person, firm, competitor, or potential competitor, to submit a collusive or sham bid or that such other bidder, proposer, person, firm, competitor, or potential competitor shall refrain from bidding/proposing;
- Bidder/Proposer has not in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other bidder, proposer, person, firm, competitor, or potential competitor to fix the price or prices in the attached Bid/Proposal or of the bid/proposal any other bidder/proposer;
- Bidder/Proposer has not in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other bidder, proposer, person, firm, competitor, or potential competitor to fix the overhead, profit or cost element of the Bid/Proposal price or prices of any other bidder/proposer, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against Galveston County or any person interested in the proposed contract;
- Affiant has not in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other bidder, proposer, person, firm, competitor, or potential competitor, paid or agreed to pay any other bidder, proposer, person, firm, competitor, or potential competitor any money or anything of value in return for assistance in procuring or attempting to procure a contract or in return for establishing the price or prices in the attached Bid/Proposal or the bid/proposal of any other Bidder/Proposer; and
- Affiant certifies that Affiant is fully informed regarding the accuracy of the statements contained herein, and under penalties of perjury, certifies and affirms the truth of the statements herein, such penalties being applicable to the Bidder/Proposer as well as to Affiant signing on its behalf.

Signature of Affiant

SWORN TO and SUBSCRIBED before me this _____ day of _____, 20_____.

Notary Public

My Commission Expires: _____

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT,
AND OTHER RESPONSIBILITY MATTERS**

Procurement: RFP No. B161004, CDBG-DRS Round 2 Rental Program for Galveston County, Texas

Proposer: _____ Date of Certification: _____

Proposer **CERTIFIES**, to the best of its knowledge and belief, that **Proposer and/or any of Proposer's Principals**:

- 1.) Are **NOT** presently debarred, suspended, proposed for debarment, disqualified, excluded, or in any way declared ineligible for the award of contracts by any Federal agency;
- 2.) Have **NOT**, within a three-year period preceding the date of this Certification, nor within the three-year period preceding the submission of its proposal, been convicted of or had a civil judgment rendered against it or them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, state, or local government contract or subcontract; violation of a Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or any of the offenses listed in 2 C.F.R. Part 180, § 180.800;
- 3.) Are **NOT** presented indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in the above subdivision (subdivision (2));
- 4.) Have **NOT**, within a three-year period preceding the date of this Certification, nor within the three-year period preceding the submission of its proposal, had any Federal, state, or local transaction terminated for cause or default.

The term "Principal" herein means: i.) an officer, director, owner, partner, principal investigator, or other person within the participant with management or supervisory responsibilities related to a covered transaction; or ii.) a consultant or other person, whether or not employed by the participant or paid with Federal funds, who: is in a position to handle Federal funds; is in a position to influence or control the use of those funds; or occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction.

Proposer shall provide immediate written notice to the Galveston County Purchasing Agent at any time prior to award, if the Proposer learns that its certification was erroneous when submitted or that it has become erroneous by reason of changed circumstances. Proposer further agrees that if it is awarded a contract by Galveston County, that it shall immediately provide written notice to the Galveston County Purchasing Agent in the event any of the certifications listed herein become no longer accurate due to changed circumstances. Proposer further agrees that if it is awarded a contract by Galveston County, that it shall include these certification requirements in all contracts between itself and any subcontractors in connection with services performed under this grant program.

Proposer acknowledges that this Certification is a material representation of fact upon which Galveston County relies when making award. If Proposer is awarded a contract by Galveston County and it is discovered that the facts certified to herein are not true, then Galveston County, in addition to other remedies, may terminate its agreement with Proposer for default.

Proposer **Represents and Warrants** that the individual executing this Certification on its behalf has the full power and authority to do so and to legally bind Proposer to the terms herein.

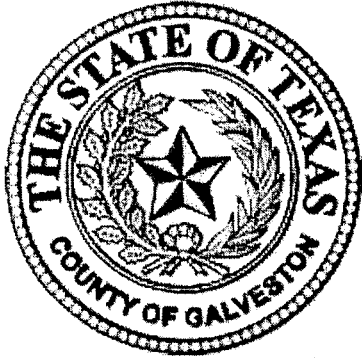
By: _____
Signature

**Sworn to and Subscribed before me on
this _____ day of _____, 20__.**

Printed name and title of person signing above for Proposer

Notary Public in and for the State of Texas

My commission expires: _____



Galveston County Landlord Assistance
Program: Multifamily Rental Guidelines

Submitted to the Texas General Land Office on 04/11/2013

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1.0 INTRODUCTION

- A. The Texas General Land Office (GLO) is administering funds under a Community Development Block Grant (CDBG) Disaster Recovery Program (Program) funded by the U.S. Department of Housing and Urban Development (HUD) under Public Law 110-329. GLO is the lead agency and responsible for disaster funds allocated to housing activities and has contracted with Galveston County to administer these funds to carry out eligible housing activities at the local level within Galveston County (not including the City of Galveston).
- B. These Housing Guidelines are developed to serve as the basis for housing programs related to Round 2 of the Galveston County Landlord Assistance Program (GCLAP). This document is expected to serve as direction for the Rental Program activities funded under Round 2. At the option of the GCLAP, rental program activities may be offered as a housing program to the residents of the GCLAP's jurisdiction. These particular guidelines pertain specifically to multifamily rental activities.
- C. The GCLAP has received \$6,932,857.00 in Hurricane Ike Round 2 Disaster Recovery Community Development Block Grant (CDBG) funding for a Rental Program administered by the GLO.
- D. Benefit to Low to Moderate Income (LMI) is the only National Objective that is approved for the Rental Program under Round 2. Eligible activities are defined as follows: rehabilitation, reconstruction, replacement, or new construction, and associated elevation and demolition. The GCLAP may also provide assistance for Individual Mitigation Measures (energy efficiency and storm mitigation activities).

1.1 PROGRAM OBJECTIVES

- A. Texas was hard hit by hurricanes and is still in the recovery process both for its communities and its residents. The primary focus of this program is to provide relief for those people impacted with consideration given to affirmatively furthering fair housing, as called for within the Fair Housing Act.
- B. The following objectives are provided for the implementation and administration of a successful Rental Program.
 - a. The primary objective of this Program is to provide decent, safe, and sanitary housing in the hurricane impacted areas through the provision of activities designed to mitigate storm damage that occurred as a result of Hurricane Ike, as well as any future hurricanes.
 - b. A second objective is to ensure that the housing needs of low, very low and extremely low-income households are assisted with housing in no less than the proportion to their relative percentages of the overall populations which suffered housing damage within the communities being served.
 - c. A third objective is to prioritize the provision of decent, safe and sanitary housing for elderly and disabled populations with an emphasis on housing choice and design to reduce maintenance and insurance costs as well as provide for the provision of independent living options.

1.2 PROGRAM PURPOSE

- A. The Program has been designed to provide funds for rehabilitation, reconstruction, and/or new construction of affordable multifamily and single family rental housing projects in areas impacted by Hurricane Ike. Funding is available through the Community Development Block Grant (CDBG) Disaster Recovery Program, administered by GLO.
- B. The purpose of the Program is to facilitate the rehabilitation, reconstruction, and/or new construction of affordable rental housing needs within the GCLAP's service area. A minimum of 51% of the multi-family units must be restricted during the affordability period of ten years for low to moderate income (LMI) persons. The rents, at a minimum, must comply with High HOME Investment Partnership (HOME) Rents and other existing Land Use Restriction Agreement (LURA) restrictions if applicable. HOME rent limits are defined by HUD and must equal the lesser of fair market rents or 30% of the adjusted income for people earning 65% of the AMFI and can be found on GLO website at: <http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/>). The units must also accept Section 8 vouchers for the duration of the LURA.

2.0 FUNDING LEVELS

- A. The maximum award cap under the Affordable Multifamily Rental Program is \$6,932,857.00. Exact award will depend upon the amount of storm damage, the cost reasonableness of funds bringing the property up to Housing Quality Standards (HQS), and other funding sources available. Eligible costs include hard costs for construction and soft costs associated with repair or construction of rental units plus other costs permissible under 24 CFR 570.
- B. The CDBG funds may not be used to pay for damages covered by any FEMA reimbursement, SBA assistance, insurance claim, or any insurance policy including delayed or future payments anticipated under insurance policies.
- C. The CDBG Affordable Rental Program funds will be in the form of a 0% performance-based loan. The Note will be forgiven when all contractual obligations have been met, including satisfactory completion of construction and compliance with the ten-year affordability period and conditions found in the LURA. The terms of the forgivable note may be modified by agreement, if necessary; given other requirements from other financial programs (i.e. tax credit programs, etc.).
- D. A Land Use Restriction Agreement (LURA) will be placed on developments and any applicable lenders must agree to subordinate to the LURA. The Developer / Borrower will guarantee completion of construction until a certificate of occupancy has been issued and retainage has been released. There is a 10 year affordability period under the LURA, during which time the units must accept Section 8 vouchers.
- E. Project construction must be completed within 18 months of the effective date of the contract, unless otherwise extended with agreement of the GLO.

2.1 ELIGIBLE PROPERTY TYPES

- A. All properties must be located within Galveston County (not to include the City of Galveston).
- B. The GCLAP intends to offer an Affordable Multifamily Rental Program and will develop a Notice of Funding Availability (NOFA) or application process to fund rehabilitation of existing multifamily housing developments or replacement of damaged units through reconstruction or new construction. The GCLAP will use a Request for Proposal (RFP) process in order to solicit vendors to participate in the Program. Projects evaluated for awards are evaluated according to the priorities established in the NOFA or application. Hurricane Ike damaged or destroyed projects awarded assistance will typically be in the 10-30 year old range. The repair/replacement assistance will extend the useful life of the development at least ten years.
- C. Proposed new construction located in the 100-year flood plain as identified on the most current Federal Emergency Management Agency (FEMA) Flood Maps must comply with HUD Policy.
- D. At a minimum, 51% of the total number of units in the development must benefit low-moderate income persons earning 80% or less of Area Median Income as defined by HUD and detailed in the Housing and Community Development Act of 1974 (HCDA) Title I, 105(a).

- F. The project may also be included in the overall income category targets in the Needs Assessment. Rent restricted units occupied by low-moderate income households must be occupied at affordable rents. Rent restrictions for the units occupied by LMI households apply through the ten year affordability program. The units occupied by low-moderate income households must comply with the High HOME rent limits published by GLO under the HOME program. HOME rent limits are defined by HUD and must equal the lesser of fair market rents or 30% of the adjusted income for people earning 65% of the AMFI and can be found on GLO website at (<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/>).

2.2 APPLICANTS AND ELIGIBILITY REQUIREMENTS

- A. Eligible applicants can be For-profit, public housing authorities, units of local governments and not-for-profit Developers/ Borrowers, acting individually or as participants in a limited partnership [LP] or limited liability corporation [LLC]. Not-for-profit entities must provide evidence of IRS tax-exempt status. Developments are required to list properties on the PHA landlord list and provide notification to DHAP providers.
- B. The Applicant, Development Owner, Principal or Developer/Borrower must be in good standing with any outstanding loans and loan commitments. There may be no defaults or negative collection actions on current or previous loans.
- C. No Applicant, Developer Owner, Principal or Development/Borrower or General Contractor may be “debarred” from the federal and state debarment lists, in accordance with 24 CFR §570.609, as well as other applicable laws.
- D. Applicant, Developer Owner, Principal or Developer/Borrower must provide a complete listing with addresses of multifamily properties currently owned or managed.

2.3 SELECTION CRITERIA FOR APPLICANTS

- A. Through the NOFA selection process and the RFP process, the GCLAP will identify those properties that could provide the greatest benefit to the community and benefit the persons with the highest need for affordable housing. The GCLAP selection process shall determine the projects that will best meet the housing goals and objectives of the Multifamily Rental Program. The GCLAP will develop criteria to award funds to the projects meeting the housing goals and objectives of the program, and fair housing as well as those of the community. All awards must be made to applicants that demonstrate capacity to complete the development planned in the application. The selection criteria utilized must be consistent with overcoming the impediments in the Interim Analysis of Impediments. The NOFA or application must meet the following criteria:
 - a. Use of the funds must affirmatively further fair housing and increase housing choice; therefore, selected criteria must be consistent with overcoming impediments identified in the Phase 1 Analysis of Impediments—including addressing concentrations of poverty or race/ethnicity.
- B. A Land Use Restriction Agreement (LURA) will be placed on each multifamily development receiving disaster funds to repair, construct or reconstruct rental units. The LURA sets

income and rent restrictions applicable to units of affordable rental housing with respect to the specific affordable rental housing. These documents will be filed with the local county clerk's office in the land records. The LURA must be approved by GLO and require all multifamily projects (four or more units) and projects with 20 or more single family units under common ownership to accept section 8 housing choice rental vouchers during the affordability period. The LURA imposes the requirements on the property for the full ten (10) years affordability period.

- C Based on the Needs Assessment, criteria developed by the GCLAP to identify projects providing the greatest benefit to the community may consider the following:
- a. Increasing the number of affordable units by exceeding the requirement to lease 51% of the units to low/moderate income households.
 - b. Providing units to households with the highest need for affordable housing by agreeing to create set asides targeting extremely low, very low income, low and moderate income tenants.
 - c. Providing broader access to persons with disabilities through single story structures or those served by an elevator.
 - d. Meeting low-maintenance and energy efficiencies by installing energy efficient products and low maintenance items. Combinations of the following items can be used up to the maximum number of points.
 - i. Install water-conserving fixtures in all units with the following specifications for toilets and shower heads, and follow requirements for other fixtures wherever and whenever they are replaced: toilets – 1.6 gallons per flush; showerheads – 2.0 gallons per minute; kitchen faucets – 2.0 GPM; bathroom faucets – 2.0 GPM.
 - ii. Install Energy Star or equivalent refrigerators in all units.
 - iii. Install Energy Star or equivalent lighting fixtures in all interior units and use Energy Star or high-efficiency commercial grade fixtures in all common areas.
 - iv. Use tankless water heaters or install conventional water heaters in rooms with drains or catch pans piped to the exterior of the dwelling and with non-water sensitive floor coverings (for all units).
 - v. Install Energy Star or equivalent power vented fans or range hoods that exhaust to the exterior (in all units).
 - vi. Install Energy Star or equivalent bathroom fans in all units that exhaust to the outdoors which has a humidistat sensor or timer, or operates continuously in all units.
 - vii. Install correctly sized HVAC units (according to Manual J) of at least 14 SEER or better in all units.
 - viii. Perform an energy analysis of existing building condition, estimate costs of improvements, and make those improvements resulting in a 10 year or shorter payback.

2.4 FEASIBILITY ANALYSIS AND PROGRAM REQUIREMENTS

- A. Projects awarded disaster recovery funds must satisfy all the GCLAP levels of eligibility requirements.
- B. The Program will be reviewed in terms of financial feasibility with the objective to repair existing hurricane damage, bring the property up to standard to extend the useful life, replace the severely damaged units or add new units. Financials, pro-formas, and loan information as well as the sources and uses of funds must be submitted identifying the proposed financing sources and expenses of the project.
- C. Upon allocation for funding, the property will go through environmental review. Project limiting decisions cannot be made by the applicant until the environmental review is complete.
- D. For rehabilitation or construction activities for multi-family structures, the Developer / Borrower must submit an acceptable Property Condition Assessment (PCA) conducted by a qualified third party. In addition to repair costs identified in the estimated repair cost report, other costs allowable under CDBG will be considered if they extend the useful life of the project. The project costs must be reasonable and typical in the current marketplace for projects of similar scope. Plans and specifications must be submitted for replacement units.
- E. The project must comply with all applicable federal and state requirements.
- F. The project must address identified impediments to fair housing choices, as well as address how the Program will provide assistance in furthering fair housing.
- G. The project must serve the local population impacted by Hurricane Ike.

2.5 UNDERWRITING

- A. The proposed multifamily developments will go through underwriting which will review the ownership structure, property operations, the sources and uses of funds, and the financial statements of the owner and guarantor (if applicable).
- B. The underlying debt and operating expenses of the property will be reviewed to determine if the project is feasible during the affordability period and demonstrates income adequate to cover operating expenses and applicable debt service.
- C. Sources and uses will be reviewed to determine the adequacy of the funding to complete the project in conjunction with the PCA. The scope of work including the repair of any hurricane damage will be assessed.
- D. Following underwriting, a contract will be executed between the developer and the GCLAP. This contract will specify the terms under which the funding is provided to the development; the number of units to be renovated / developed; the affordability period; and other conditions of the agreement.

3.0 ENVIRONMENTAL REVIEW OVERVIEW

- A. Each development assisted with CDBG Disaster Recovery funds must be environmentally cleared. No commitment or disbursement of funds will occur prior to the completion of this review. The environmental assessment reviews conditions such as wetlands, coastal zones, flood zones, runway clear zones and any other requirements imposed by State or Federal regulations.
- B. Rental Program funds cannot be used to assist rental units (Multi and single family) that have been determined to be in the Coastal Barrier Resource Zones or airport runway clear zones. Once the Environmental Review is complete the review is forwarded to the GLO for environmental clearance.
- C. The Developer / Borrower must comply with all applicable laws with respect to lead based paint in conjunction with Section 302 of the Lead Based Paint Poisoning Prevent Action (42 USC Section 4831(b)), as well as the presence of asbestos containing materials within the project.
A Property Condition Assessment must be conducted for rehabilitation. The PCA must conform to American Society for Testing and Materials (ASTM - <http://www.astm.org/>) "2018 Standard Guidelines for Property Condition Assessments." For further assistance, please click the following link: <http://www.tdhca.state.tx.us/readocs/10-REARules.pdf>

4.0 CONSTRUCTION REQUIREMENTS

- A. Housing that is constructed or rehabilitated with CDBG funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. When CDBG funds are used for a rehabilitation development, the entire unit must be brought up to the applicable property standards and meet Housing Quality Standards. All newly constructed and reconstructed housing units must meet the current edition of the Model Energy Code (MEC) (<http://www.energycodes.gov/implement/pdfs/modelcode.pdf>) published by the Council of American Building Officials. GLO will conduct a final inspection of the development. Common areas and units are subject to a Uniform Physical Conditions Standards inspection. Any deficiencies identified in that inspection must be corrected before final retainage is released.
- B. Housing developments must meet all accessibility requirements at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794). Multifamily housing developments must meet the design and construction requirements at the Texas Administrative Code, Title 10, Chapter 60, Subchapter (B) 10 TAC § 60.201-211). Covered multifamily dwellings, as defined at 24 CFR §100.201, as well as common use facilities in developments with covered dwellings must meet the design and construction requirements at 24 CFR §100.205, which implement the Fair Housing Act (42 U.S.C.3601-4619).
- C. The Developer/borrower must comply with Labor Standards; the local Section 3 Plan; Minority / Business Enterprise (MBE); Small Business Enterprise (SBE) requirements; Affirmative Marketing; and Contractor Clearance.
- D. The project costs must be "reasonable and customary" as determined by an acceptable, independent third party report or considered reasonable as documented by a bidding process. GLO shall be the final arbiter of what is reasonable and customary if a disagreement occurs.

- E. All contracts will be payment and performance bonded. All projects are subject to The Davis-Bacon Wage Act (40 USC 276a-276-a5, 24 CFR Part 70), The Contract Work Hours and Safety Standards Act (40 USC 327 et seq), The Copeland "Anti-Kickback" Act (18 USC Sec 874), and should budget accordingly.
- F. Prior to commencement of construction, the Developer / Borrower must have a notice to proceed. Scattered site projects owned by a sole owner with 8 or more units must comply with the Davis-Bacon Wage Act (40 USC 276a-276-a5, 24 CFR Part 70).
- G. AIA forms 702 and 703 will be required prior to funding each draw.
- H. Ten percent (10%) of each draw will be held as retainage until satisfactory completion of the project.

5.0 LABOR STANDARDS

- A. All applicable developments must comply with applicable labor standards, including, but not limited to Davis-Bacon wages, the local Section 3 Plan, Minority / Business Enterprise, and Small Business Enterprise. Under the federal Davis-Bacon Wage Act (40 USC 276a-276-a5, 24 CFR Part 70, 24 CFR §570.603), prevailing wages must be paid on all construction and related work on projects that have eight (8) or more units.
- B. The following information will be provided on all projects to the GLO Labor Standards Specialist:
 - a. Notes of bid and preconstruction conferences as well as attendance rosters with attendees' signatures.
 - b. Notice to Proceed.
 - c. All Department of Labor (DOL) General Wage Determination reports showing prevailing wages applicable to each project throughout the construction phase.
 - d. Final Wage Compliance Report
 - e. Davis-Bacon communications, including:
 - i. Department of Labor communications
 - ii. Letters to Contractor(s) requesting payments of restitution owed to workers and liquidated damages, including copies of letters confirming Contractor(s) compliance and / or resolution of labor-related issues. Department of Labor (DOL) Semi-Annual Report with all required reporting data associated with the CDBG-DR Hurricane Ike award.
 - iii. Additional documentation as required by GLO.

5.1 MULTIFAMILY RELOCATION

- A. The Developer/Borrower is responsible for the relocation activities related to the project. The Developer / Borrower shall comply with program regulations at 24 CFR §570.606, the Uniform Relocation Assistance and Real Property Policies Act of 1970 ("URA"), as amended, at 49 CFR §24, and §104(d) of the Housing and Community Development Act of 1974, as amended, at 24 CFR §42 if any residents are forced to leave rental property because of the repair or reconstruction.
- B. If applicable, Developer / Borrower shall submit to the GCLAP copies of all documentation relating to URA, including but not limited to, a Relocation Plan with Assurance Letter, Notice to Real Property, Tenant Status Reports, and all Notices with Tenant Acknowledgments as required by the URA.

5.2 PROJECT COMPLETION AND RELEASE OF RETAINAGE PROCEDURES

- A. When
 When an estate is finished, the procedures listed below will be followed to document completion and allow for retainage (the last 10% of project costs) to be paid. List of items include:
 - i. Developer/Borrower submits Final Draw for retainage. This draw is identical in form to the others and includes the final inspection report from the third party inspector indicating that the project is complete.
 - ii. Developer / Borrower completes and submits a Final Wage Compliance Report.
 - iii. Developer / Borrower submits Certificate of Occupancy for project.
 - iv. Developer / Borrower submits letter of certification from Architect that project meets requirements of the Americans with Disabilities Act.
 - v. Developer / Borrower submits Certificate of Substantial Completion, and AIA form that is signed by the Owner, General Contractor, and Architect.
 - vi. Developer / Borrower submits Lien Release from General Contractor to show that all subcontractors have been paid. (Contractor = GCLAP) and (Subcontractor = Building Contractor)
 - vii. The GLO will perform a final inspection prior to funds being released.

5.3 MULTIFAMILY PROJECT LEASE-UP PROCEDURES

- A Multifamily developments assisted with CDBG funds are required to have a project tenant selection policy (TSP), Affirmative Marketing Plan, and schedule of leases & rents to ensure compliance with CDBG requirements. The tenant selection policy must be:
 - a. Written and displayed at the project leasing in a common area.
 - b. Consistent with the purpose of providing housing for families making 80% or less of AMFI as called for in the Needs Assessment.
 - c. Reasonably related to program eligibility and Lessee's ability to perform under the lease.
 - d. Chronological, so that tenants taken from a written waiting list are assisted in order.
 - e. Designed to give prompt written notice of the grounds for rejection to any Lessee rejected based on income.

5.4 MULTIFAMILY ANNUAL MONITORING PROCEDURES

Completed projects require annual monitoring. Monitoring will be conducted by the GCLAP in coordination with developers and/or property management companies throughout the affordability period. The results and reviews of monitoring activities ensure the provision of safe, decent, affordable rental housing in compliance with all applicable regulations. Income targets and rents must comply with Affordable Rental Program LURA requirements and other compliance requirements. Monitoring includes:

- a. On-site inspection of rehabilitated properties to ensure compliance with Housing Quality Standards (HQS) under 24 CFR Sec. 982-401, or current federal standards at the time of the inspection.
- b. Compliance Standards Review (CSR) to ensure compliance with the CDBG regulations and the NOFA, but not limited to, the following:
 - i. Affordable Rental Housing
 - ii. Subsequent Rents during the Affordability Period
 - iii. Initial and Annual Recertification of Tenant Income
 - iv. Periods of Affordability
- v. Tenant and Participant Protection (lease term, prohibited lease terms, tenant selection policy)
- vi. Civil Rights Act of 1964 and amendments
- vii. Section 504 of the Rehabilitation Act of 1973
- viii. Architectural Barriers Act and the Americans with Disabilities Act
- ix. Design and Construction requirements
- x. For Rehab projects, entire structure must meet Housing Quality Standards
- xi. Benefit all income targets including the CDBG LMI requirement to least 51% of the units to LMI households.
- xii. Affirmative Marketing
- xiii. National Flood Insurance Program
- xiv. Displacement, relocation, acquisition, and replacement
- xv. Lead-Based Paint Compliance
- xvi. Fair Housing and Equal Opportunity
- xvii. 24 CFR Part 135 (Section 3 Compliance)
- xviii. Any reporting requirements as noted in the Conciliation Agreement

- c Notification in writing of the results of the monitoring activity will be provided to the borrower, with a stated corrective action plan, if one is needed.

5.5 MULTIFAMILY FILES AND REPORTS

The GCLAP will maintain accurate Rental Program files and records for general administration activities, for each development and tenant for a period of ten (10) years as required by the GLO. Such files will be open for inspection to HUD, HUD OIG, State Auditor's Office, GLO or any of its duly authorized representatives, or funding source representatives.

5.6 MULTIFAMILY CHANGES, WAIVERS, APPEALS AND/OR CONFLICTS

- A. The GCLAP has the right to change, modify, waive, or revoke all or any part of these guidelines, with the prior written approval of GLO.
- B. See the "Appeal Process" section of the General Guideline for guidance related to the appeals process.

5.7 LANDLORD/PROPERTY MANAGER REQUIREMENTS

These requirements include:

- a. Leasing all units to tenants that have eligible household incomes (80% AMI or below).
 - b. Charging rents that are at or below, at a minimum, High HOME rents.
 - c. Following income certification and verification procedures and keeping records on all tenants' income.
 - d. Maintaining complete and accurate rent rolls.
 - e. Renting units in accordance with HUD Fair Housing Standards.
- A. The developers and/or property management are responsible for maintaining complete and accurate records for the full period of the forgivable note term. These records must fully and completely support the satisfactory completion of all compliance items. These records must be provided to the GCLAP, GLO, SAO, HUD, or HUD OIG upon request.
 - B. Compliance with these terms for the full period of the forgivable note will result in the note being forgiven in full, leaving the applicant with no obligation to repay the forgivable note or interest on it. Failure to comply with terms will lead to non-compliance.

ATTACHMENT C

HURRICANES IKE AND DOLLY ROUND 2 RENTAL PROGRAM GUIDELINES

INTRODUCTION

- A. The Texas Department of Housing and Community Affairs (TDHCA or the Department) is partnering with the Texas Department of Rural Affairs (TDRA) in the administration of funds under a Community Development Block Grant (CDBG) Disaster Recovery Program (Program) funded by the U.S. Department of Housing and Urban Development (HUD) under Public Law 110-329. TDHCA is the lead agency and responsible for disaster funds allocated to housing activities. Local entities including Cities, Counties and Councils of Local Government administer these funds on the local level for housing activities.
- B. Housing Guidelines have been developed to serve as the basis for housing programs related to Round 2 of the Program. This document is expected to serve as direction for the Rental Program activities funded under Round 2. These Guidelines do not replace or supersede the Guidelines developed and in use under Round 1. Additionally, these guidelines supplement the General Guidelines which provide direction for issues that affect all of the programs and cover all areas of administration not expressly covered in this document. subrecipient must incorporate those elements into their Rental Program. At the option of the subrecipient, rental program activities may be offered as a housing program to the residents of the subrecipient's jurisdiction. Rental activities may include single family or multifamily rental activities or both.
- C. Subrecipient has received Hurricanes Ike and Dolly Round 2 Disaster Recovery Community Development Block Grant (CDBG) funding for a Rental Program administered by the Texas Department of Housing and Community Affairs (TDHCA or the Department).
- D. Benefit to Low to Moderate Income (LMI) is the only National Objective that is approved for the Rental Program under Round 2. Eligible activities, which are defined in the General Guidelines, are as follows: rehabilitation, reconstruction, replacement, or new construction, and associated elevation and demolition. Subrecipient may also provide assistance for Individual Mitigation Measures (energy efficiency and storm mitigation activities).

I. PROGRAM OBJECTIVES

- A. Texas was hard hit by hurricanes and is still in the recovery process both for its communities and its residents. The primary focus of this program is to provide relief for those people impacted with consideration given to affirmatively further fair housing, as called for within the Fair Housing Act.

- B. The following objectives are provided for the implementation and administration of a successful Rental Program.
- a. The primary objective of this Program is to provide decent, safe, and sanitary housing in the hurricane impacted areas through the provision of activities designed to mitigate storm damage that occurred as a result of Hurricanes Ike and Dolly, as well as any future hurricanes.
 - b. A second objective is to ensure that the housing needs of very low, low and moderate-income households are assisted with housing in no less than the proportion to their relative percentages of the overall populations which suffered housing damage within the communities being served.
 - c. A third objective is to prioritize the provision of decent, safe and sanitary housing for elderly and disabled populations with an emphasis on housing choice and design to reduce maintenance and insurance costs as well as provide for the provision of independent living options.

II. PROGRAM PURPOSE

- A. The Hurricane Ike Disaster Recovery (DR) Affordable Rental Program has been designed to provide funds for rehabilitation, reconstruction, and/or new construction of affordable multi-family and single family rental housing projects in areas impacted by Hurricane Ike or Dolly. Funding is available through the Community Development Block Grant (CDBG) Disaster Recovery Program, administered by the Texas Department of Housing and Community Affairs (TDHCA).
- B. The purpose of the Affordable Rental Program is to facilitate the rehabilitation, reconstruction, and/or new construction of affordable rental housing needs within the subrecipient's service area. Units qualifying for assistance must have sustained damage from Hurricanes Ike or Dolly. A minimum of 51% of the units must be restricted for ten or more years to low to moderate income (LMI) individuals earning 80% or less of the Area Median Family Income (AMFI) at affordable rents. The rents must comply with High HOME Investment Partnership (HOME) Rents and other existing Land Use Restriction Agreement (LURA) restrictions if applicable. HOME rent limits are defined by HUD and must equal the lesser of fair market rents or 30% of the adjusted income for people earning 65% of the AMFI and can be found on TDHCA's website at (<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/>) and (<http://www.tdhca.state.tx.us/pmcdocs/10-FMR-TBRA.pdf>)

PART A - MULTIFAMILY RENTAL PROGRAM

I. TYPES AND AMOUNTS OF ASSISTANCE

- A. The maximum award cap under the Affordable Multifamily Rental Program is \$10,000,000 per development. Exact award will depend upon the amount of storm damage, the cost reasonableness of funds bringing the property up to Housing Quality Standards (HQS), and other funding sources available. Eligible costs include hard costs for construction and soft costs associated with repair or construction of rental units plus other costs permissible under 24 CFR 570.
- B. The CDBG funds may not be used to pay for damages covered by any FEMA reimbursement, SBA assistance, insurance claim, or any insurance policy including delayed or future payments anticipated under insurance policies.
- C. The CDBG Affordable Rental Program funds will be in the form of a 0% performance-based loan and will be forgiven when all contractual obligations have been met, including satisfactory completion of construction and compliance with the ten-year affordability period. The terms of the loan / grant may be modified by agreement, if necessary, given other requirements from other financial programs (i.e. tax credit programs, etc.).
- D. A Land Use Restriction Agreement (LURA) will be placed on developments and any applicable lenders must agree to subordinate to the LURA. The Developer / Borrower will guarantee completion of construction until a certificate of occupancy has been issued and retainage has been released. There is a ten year affordability period under the LURA.
- E. Project construction must be completed within 18 months of the effective date of the contract, unless otherwise extended.

II. PROPERTY ELIGIBILITY

- A. All properties must be located within the jurisdiction of the subrecipient and sustained damage from Hurricane Ike or Dolly.
- B. Any subrecipient that intends to offer an Affordable Multifamily Rental Program must develop a NOFA or application process to fund rehabilitation of existing multifamily housing developments or replacement of damaged units through reconstruction or new construction. Projects evaluated for awards are evaluated according to the priorities established in the NOFA or application. The NOFA or application process must comply with Selection Criteria requirements identified in Section IV, paragraph A of these guidelines.
- C. Hurricane damaged or destroyed projects awarded assistance will typically be in the 10-30 year old range. The repair/replacement assistance will extend the useful life of the development at least ten years.

- D. Proposed new construction located in the 100-year flood plain as identified on the most current Federal Emergency Management Agency (FEMA) Flood Maps must comply with the TDHCA flood policy found in 10 TAC Part 1 Section 50.6.
- E. At a minimum, 51% of the total number of units in the development must benefit low-moderate income persons earning 80% or less of Area Median Income as defined by HUD and detailed in the Housing and Community Development Act of 1974 (HCDA) Title I, 105(a).
- F. Rent restricted units occupied by low-moderate income households must be occupied at affordable rents. The units occupied low-moderate income households must comply with the High HOME rent limits published by TDHCA under the HOME program. Rent restrictions for the units occupied by LMI households apply through the ten year affordability period. Compliance with rent limits is calculated in the same manner as the HOME program.

III. PARTICIPANT ELIGIBILITY REQUIREMENTS

- A. For-profit, public housing authorities, units of local governments and not-for-profit Developers/ Borrowers, acting individually or as participants in a limited partnership [LP] or limited liability corporation [LLC] are eligible to participate. Not-for-profit entities must provide evidence of IRS tax-exempt status. Developments are required to list properties on PHA landlord list and provide notification to DHAP providers.
- B. The Applicant, Development Owner, Principal or Developer/Borrower must be in good standing with any outstanding loans and loan commitments. There may be no defaults or negative collection actions on current or previous loans.
- C. No Applicant, Developer Owner, Principal or Development/Borrower or General Contractor may be "debarred" from the federal and state debarment lists, in accordance with 24 CFR §570.609, as well as other applicable laws.
- D. Applicant, Developer Owner, Principal or Developer/Borrower must provide a complete listing with addresses of multifamily properties currently owned or managed.

IV. SELECTION CRITERIA

- A. Any subrecipient that intends to offer an Affordable Multifamily Rental Program must develop a NOFA or application process. The application or NOFA process should identify the properties that provide the greatest benefit to the community to those with the greatest need. The subrecipient will develop criteria to award funds to the projects meeting the housing goals and objectives the program, and fair housing as well as those of the community. All awards must be made to applicants that demonstrate capacity to complete the development planned in the application. The Selection Criteria utilized must

be consistent with overcoming the impediments identified in the Interim AI. The NOFA or application must meet the following criteria:

- a. Direct funds to the needs of the community as determined by the Needs Assessment.
 - b. Use of the funds must affirmatively further fair housing and increase housing choice; therefore, selected criteria must be consistent with overcoming impediments identified in the Phase I Analysis of Impediments.
- B. A Land Use Restriction Agreement (LURA) will be placed on each multifamily development receiving disaster funds to repair, construct or reconstruct rental units. The LURA sets forth income and rent restrictions applicable to units of affordable rental housing with respect to the specific affordable rental housing. These documents will be filed with the local county clerk's office in the land records. The LURA must be approved by TDHCA and require all multifamily projects and projects with 20 or more single family units under common ownership to accept of section 8 housing choice rental vouchers during the affordability period. The LURA imposes the requirements on the property for the full ten (10) years affordability period.
- C. Based on the Needs Assessment, criteria developed by the subrecipient to identify projects providing the greatest benefit to the community will provide incentives for:
- a. Increasing the number of affordable units by exceeding the requirement to lease 51% of the units to low/moderate income households.
 - b. Providing units to households with the highest need for affordable housing by agreeing to create set asides targeting very low, low, and moderate-income tenants.
 - c. Providing broader access to persons with disabilities through single story structures or those served by an elevator.
 - d. Meeting low-maintenance and energy efficiencies by installing energy efficient products and low maintenance items. Combinations of the following items can be used up to the maximum number of points:
 - i. Install water-conserving fixtures in all units with the following specifications for toilets and shower heads, and follow requirements for other fixtures wherever and whenever they are replaced: toilets – 1.6 gallons per flush; showerheads – 2.0 gallons per minute; kitchen faucets – 2.0 GPM; bathroom faucets – 2.0 GPM.
 - ii. Install Energy Star or equivalent refrigerators in all units.

- iii. Install Energy Star or equivalent lighting fixtures in all interior units and use. Energy Star or high-efficiency commercial grade fixtures in all common areas.
- iv. Use tankless hot water heaters or install conventional hot water heaters in rooms with drains or catch pans piped to the exterior of the dwelling and with non-water sensitive floor coverings (for all units).
- v. Install Energy Star or equivalent power vented fans or range hoods that exhaust to the exterior (in all units).
- vi. Install Energy Star or equivalent bathroom fans in all units that exhaust to the outdoors which has a humidistat sensor or timer, or operates continuously in all units.
- vii. Install correctly sized HVAC units (according to Manual J) of at least 14 SEER or better in all units.
- viii. Perform an energy analysis of existing building condition, estimate costs of improvements, and make those improvements resulting in a 10 year or shorter payback.

V. PROGRAM REQUIREMENTS

- A. Projects awarded disaster recovery funds must satisfy six levels of eligibility requirements.
- B. The project will also be reviewed in terms of financial feasibility with the objective to repair existing hurricane damage and bring the property up to standard to extend the useful life or replace the severely damaged units. Financials, proformas, and loan information as well as the sources and uses of funds must be submitted identifying the proposed financing sources and expenses of the project.
- C. Upon allocation for funding, the property will go through environmental review.
- D. Rehabilitation or construction activities. The Developer / Borrower must submit an acceptable Property Condition Assessment (PCA) conducted by a qualified third party. In addition to repair costs identified in the PCA, other costs will be considered if they extend the useful life of the project. The project costs must be reasonable and typical in the current marketplace for projects of similar scope. Plans and specifications must be submitted for replacement units.
- E. The project must comply with all applicable federal and state requirements.
- F. The project must address identified impediments to fair housing choice.

- G. The project must serve the local population impacted by the hurricanes.

VI. UNDERWRITING

- A. The proposed multifamily projects will go through underwriting which will review the ownership structure, property operations, the sources and uses of funds, and the financial statements of the owner and guarantor (if applicable).
- B. The underlying debt and operating expenses of the property will be reviewed to determine if the project is feasible during the affordability period and demonstrates income adequate to cover operating expenses and applicable debt service.
- C. Sources and uses will be reviewed to determine the adequacy of the funding to complete the project in conjunction with the PCA. The scope of work including the repair of any hurricane damage will be assessed.
- D. Following underwriting, a contract will be executed between the developer and the subrecipient. This contract will specify the terms under which the funding is provided to the project; the number of units to be renovated / developed; the affordability period; and other conditions of the agreement.

VII. ENVIRONMENTAL REVIEW

- A. Each development assisted with CDBG Disaster Recovery funds must be environmentally cleared. No commitment or disbursement of funds will occur prior to the completion of this review. The environmental assessment reviews the wetlands, coastal zones, flood zones and runway clear zones.
- B. Rental Program funds cannot be used to assist rental units (Multi and single family) that have been determined to be in the Coastal Barrier Resource Zones or airport runway clear zones. Once the Environmental Review is complete the review is forwarded to TDHCA for environmental clearance.
- C. The Developer / Borrower must comply with all applicable laws with respect to lead based paint in conjunction with Section 302 of the Lead Based Paint Poisoning Prevent Action (42 USC Section 4831(b)), as well as the presence of asbestos containing materials within the project.
- D. A Property Condition Assessment must be conducted for rehabilitation. The PCA must conform to American Society for Testing and Materials (ASTM - <http://www.astm.org/>) "2018 Standard Guidelines for Property Condition Assessments." The Developer / Borrower are also directed to the TDHCA Section 1.36 of the 2009 REA Rules for PCA guidance (<http://www.tdhca.state.tx.us/readocs/10-REARules.pdf>).

VIII. CONSTRUCTION

- A. Housing that is constructed or rehabilitated with CDBG funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. When CDBG funds are used for a rehabilitation development, the entire unit must be brought up to the applicable property standards and meet Housing Quality Standards. All newly constructed including reconstructed housing units must meet the current edition of the Model Energy Code (MEC) (<http://www.energycodes.gov/>) published by the Council of American Building Officials. TDHCA will conduct a final inspection of the development. Common areas and units are subject to a Uniform Physical Conditions Standards inspection. Any deficiencies identified in that inspection must be corrected before final retainage is released.
- B. Housing developments must meet all accessibility requirements at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794). Multifamily housing developments must meet the design and construction requirements at the Texas Administrative Code, Title 10, Chapter 60, Subchapter (B) 10 TAC § 60.201-211). Covered multifamily dwellings, as defined at 24 CFR §100.201, as well as common use facilities in developments covered cover dwelling must meet the design and construction requirements at 24 CFR §100.205, which implement the Fair Housing Act (42 U.S.C.3601-4619).
- C. The Developer/borrower must comply with Labor Standards; Section 3 Plan; Minority / Business Enterprise (MBE); Small Business Enterprise (SBE) requirements; Affirmative Marketing; and Contractor Clearance.
- D. The project costs must be “reasonable and customary” as determined by an acceptable, independent third party report or considered reasonable as documented by a bidding process.
- E. All contracts will be payment and performance bonded. All projects are subject to The Davis-Bacon Wage Act (40 USC 276a-276-a5, 24 CFR Part 70), The Contract Work Hours and Safety Standards Act (40 USC 327 et seq), The Copeland “Anti-Kickback” Act (18 USC Sec 874), Section 3 (24 CFR Part 135) requirements, reporting and goals and should budget accordingly.
- F. Prior to commencement of construction, the Developer / Borrower must have a notice to proceed. Scatter site projects owned by a sole owner with 8 or more units must comply with the Davis-Bacon Wage Act (40 USC 276a-276-a5, 24 CFR Part 70).
- G. The report and AIA forms 702 and 703 will be required prior to funding each draw request.
- H. Ten percent (10%) of each draw will be held as retainage until satisfactory completion of the project.

COMPLIANCE REQUIREMENTS

IX. LABOR STANDARDS

- A. All applicable developments must comply with applicable labor standards, including, but not limited to Davis-Bacon wages, Section 3, Minority / Business Enterprise, and Small Business Enterprise. Under the federal Davis-Bacon Wage Act (40 USC 276a-276-a5, 24 CFR Part 70, 24 CFR §570.603), prevailing wages must be paid on all construction and related work on projects that have eight (8) or more units.
- B. The following information will be provided on all projects to the TDHCA Labor Standards Specialist:
 - a. Notes of bid and preconstruction conferences as well as attendance rosters with attendees signatures.
 - b. Notice to Proceed.
 - c. All Department of Labor (DOL) General Wage Determination reports showing prevailing wages applicable to each project throughout the construction phase.
 - d. Final Wage Compliance Report
 - e. Davis-Bacon communications, including:
 - i. Department of Labor communications
 - ii. Letters to Contractor(s) requesting payments of restitution owed to workers and liquidated damages, including copies of letters confirming Contractor(s) compliance and / or resolution of labor-related issues. Department of Labor (DOL) Semi-Annual Report with all required reporting data associated with the CDBG-DR Hurricane Ike award.
 - iii. Additional documentation as required by TDHCA.

X. RELOCATION

- A. The Developer/Borrower is responsible for the relocation activities related to the project. The Developer / Borrower shall comply with program regulations at 24 CFR §570.606, the Uniform Relocation Assistance and Real Property Policies Act of 1970 ("URA"), as amended, at 49 CFR §24, and §104(d) of the Housing and Community Development Act of 1974, as amended, at 24 CFR §42.
- B. If applicable, Developer / Borrower shall submit to the subrecipient copies of all documentation relating to URA, including but not limited to, a Relocation Plan with

Assurance Letter, Notice to Real Property, Tenant Status Reports, and all Notices with Tenant Acknowledgments as required by the LURA.

XI. PROJECT COMPLETION AND RELEASE OF RETAINAGE PROCEDURES

- A. When a project is finished, the procedures listed below will be followed to document completion and allow for retainage (the last 10% of project costs) to be paid. List of items include:
 - a. Developer / Borrower submits Final Draw for Retainage. This draw is identical in form to the others and includes the final inspection report from the third party inspector indicating that the project is complete.
 - b. Developer / Borrower completes and submits a Final Wage Compliance Report.
 - c. Developer / Borrower submits Certificate of Occupancy for project.
 - d. Developer / Borrower submits letter certification from Architect that project meets requirements of the Americans with Disabilities Act.
 - e. Developer / Borrower submits Certificate of Substantial Completion, and AIA form that is signed by the Owner, General Contractor, and Architect.
 - f. Developer / Borrower submits Lien Release from General Contractor to show that all subcontractors have been paid. (Contractor = Subrecipient) and (Subcontractor = Building Contractor).

XII. PROJECT LEASE UP PROCEDURES

- A. Multifamily developments assisted with CDBG funds are required to have a project tenant selection policy (TSP), Affirmative Marketing Plan, and schedule of leases & rents to ensure compliance with CDBG requirements. The tenant selection policy must be:
 - a. Written and displayed at the project leasing in a common area.
 - b. Consistent with the purpose of providing housing for families making 80% or less of AMFI.
 - c. Reasonably related to program eligibility and Lessee's ability to perform under the lease.
 - d. Chronological, so that tenants taken from a written waiting list are assisted in order.
 - e. Designed to give prompt written notice of the grounds for rejection to any Lessee rejected based on income.

XIII. ANNUAL MONITORING PROCEDURES

- A. Completed projects require annual monitoring. Monitoring will be conducted by the subrecipient throughout affordability period. The results and reviews of monitoring activities ensure the provision of safe, decent, affordable rental housing in compliance with all applicable regulations. Income targets and rents must comply with Affordable Rental Program LURA requirements and other compliance requirements. Monitoring includes:
- a. On-site inspection of rehabilitated properties to ensure compliance with Housing Quality Standards (HQS) under 24 CFR Sec. 982-401.
 - b. Compliance Standards Review (CSR) to ensure compliance with the CDBG regulations and the NOFA, but not limited to, the following:
 - i. Affordable Rental Housing
 - ii. Subsequent Rents during the Affordability Period
 - iii. Initial and Annual Recertification of Tenant Income
 - iv. Periods of Affordability
 - v. Tenant and Participant Protection (lease term, prohibited lease terms, tenant selection policy)
 - vi. Civil Rights Act of 1964 and Amendments
 - vii. Section 504 of the Rehabilitation Act of 1973
 - viii. Architectural Barriers Act and the Americans with Disabilities Act
 - ix. Design and construction requirements
 - x. For Rehab projects, entire structure must meet Housing Quality Standard
 - xi. Benefit all income targets including the CDBG LMI requirement to least 51% of the units to LMI households
 - xii. Affirmative Marketing
 - xiii. National Flood Insurance Program
 - xiv. Displacement, relocation, acquisition, and replacement Lead-Based Paint Compliance

- xv. Fair Housing and Equal Opportunity
 - xvi. Section 3 (24 CFR Part 135) goals and reporting requirements
 - xvii. Applicant data reporting as required by the Conciliation Requirement
- c. Notification in writing of the results of the monitoring activity will be provided to the borrower, with a stated corrective action plan, if one is needed.

XIV. FILES AND REPORTS

- A. The subrecipient will maintain accurate Rental Program files and records for general administration activities, for each development and tenant for a period of ten (10) years as required by the TDHCA. Such files will be open for inspection to TDHCA or any of its duly authorized representatives, or funding source representatives.

XV. CHANGES, WAIVERS, AND/OR CONFLICTS

- A. The subrecipient has the right to change, modify, waive, or revoke all or any part of these guidelines, with the prior written approval of TDHCA.

PART B – SINGLE FAMILY RENTAL PROGRAM

A single family rental program's goal is to restore existing neighborhoods and to increase the affordable rental stock in a community affected by Hurricanes Ike or Dolly. Applicants receiving CDBG Disaster Recovery funds to rehabilitate or reconstruct damaged properties agree to lease the rental units to low-moderate income households (80% of Area Median Income or less) at restricted rents. Rents must comply with the High HOME rent limits.

The CDBG funds are provided in the form of a forgivable loan / grant.

I. TYPES AND AMOUNT OF ASSISTANCE

- A. The subrecipient will develop a process to accept applications for funding to serve low, very low, extremely low and moderate-income households. Funding priorities will be developed in a manner that affirmatively furthers fair housing objectives.
- B. The maximum award cap under the Single Family Rental Program is based on the number of bedrooms in the rental unit. The exact award will depend upon the amount of storm damage, the cost of rehabilitation or reconstruction up to maximum award amount. When a rental unit is assisted with disaster recovery funds, the entire unit must be brought up to Housing Quality Standards (HQS). Eligible costs include hard costs for construction and soft costs associated with repair or construction of rental units plus other costs permissible under 24 CFR 570.

Table A: Maximum Awards

	One Bedroom	Two Bedrooms	Three Bedrooms
Max award	\$50,000	\$60,000	\$70,000

II. PROPERTY ELIGIBILITY

- A. All properties must be located within the jurisdiction of the subrecipient and sustained damage from Hurricane Ike or Dolly.
- B. Properties maybe rehabilitated, or replaced by reconstruction or new construction of the dwelling.
- C. Single Family, detached dwellings are eligible for assistance and must contain between one and three bedrooms at a minimum; priority is given properties with three or more bedrooms. Condominiums, townhomes, duplexes, triplexes or four-plexes are not eligible.
- D. Any subrecipient that intends to offer an Affordable Single Family Rental Program must develop an application process to fund rehabilitation of existing multifamily housing developments or replacement of damaged units through reconstruction or new construction. Projects evaluated for awards are evaluated according to the priorities established in the application.
- E. Upon completion, the single family homes must meet Housing Quality Standards and benefit low-moderate income persons earning 80% or less of Area Median Income as defined by HUD and detailed in the Housing and Community Development Act of 1974 (HCDA) Title I, 105(a).
- F. The rent for the unit occupied by the low-moderate income household must be occupied at affordable rents. The units occupied low-moderate income households must comply with the High HOME rent limits published by TDHCA under the HOME program through the affordability period. Compliance with rent limits is calculated in the same manner as the HOME program.
- G. Units do not have to be rental stock prior to application for assistance, however must be rented to certified LMI households if awarded repair or replacement funds.
- H. Housing units located where federal assistance is not permitted by the Coastal Barriers Resource Act or within runway clear zones of either a civil or military airport are not eligible.
- I. Each property must currently have access to water, electricity, and sewer or septic service, or hookups to provide those services.

- J. The on-going maintenance of hazard and flood insurance is a program requirement where applicable.

III. PARTICIPANT ELIGIBILITY REQUIREMENTS

- A. Individual owners with fee simple title to the property are eligible to participate.
- B. The owner must be in good standing with any loans on the property or in default or negative collection actions on any current or previous loans.
- C. The property taxes must be current on the property.
- D. The owner of the property may be “debarred” from the federal and state debarment lists, in accordance with 24 CFR §570.609, as well as other applicable laws.
- E. The owner must provide a complete listing with addresses of other rental properties currently owned or managed.
- F. All applicants must not owe any child support payment(s) under any court order.
 - a. If an applicant is not current on child support payments, that member will be required to enter into a payment plan and must supply a copy of the payment plan signed by all applicable parties, along with documentation that they are current on their payment plan. The required forms and instructions can be found under Homeowner Assistance Forms at: <http://www.tdhca.state.tx.us/cdbg/ike-and-Dolly/forms/index.htm>.

IV. SELECTION CRITERIA

- A. Any subrecipient that intends to offer a Single Family Rental Program must develop an application process. The application process should identify the properties that provide the greatest benefit to the community with the greatest need. Applications will be developed with criteria to allow the subrecipient to determine which projects meet the housing goals and objectives of the community as well as affirmatively further fair housing objectives.
- B. Criteria developed by the subrecipient to identify projects providing the greatest benefit to:
 - a. To expand the affordable housing stock priority is given to vacant units in a condition that is not suitable for occupancy.
 - b. To encourage a vested interest in the projects, priority is given to projects where the landlord contributes at least 25% of the funds necessary to repair the property.

- c. To encourage housing for families, priority is given to projects with three bedrooms or more.
- d. Projects near public transportation, shopping and schools are considered in the point structure. Near is defined as within a 2 mile radius.
- e. Single family rental structures must comply with Texas Government Code, Section 2306.154.

V. PROGRAM REQUIREMENTS

- A. Housing assistance funds must satisfy four levels of eligibility requirements.
 - a. The property must meet eligibility requirements listed under Section II. The property must require repair, rehabilitation or reconstruction and the owner must provide documentation or third party inspections to support storm damage.
 - b. The property must pass a federally required environmental review.
 - c. Rehabilitation or construction activities. A Property Condition Assessment must be conducted by a third party. The work write up must be completed in sufficient detail to obtain bids or cost estimates. Rehabilitation of the residence must bring the property into compliance with local health, safety and building codes and pass a Housing Quality Standards inspection. The project costs must be reasonable and typical in the current marketplace for projects of similar scope. Plans and specifications must be submitted for replacement units.
 - d. The project must comply with all applicable federal and state requirements.

VI. UNDERWRITING

- A. The subrecipient will determine the type of feasibility or underwriting process required for Single Family projects.

VII. ENVIRONMENTAL REVIEW

- A. The environmental review is a separate and distinct review from any other review. Other previously performed (or applicant-provided) environmental reviews will not satisfy the requirements. Be aware that applicants are prohibited from beginning repairs, rehabilitation or reconstruction until they receive their SRRAP loans.
 - a. There are three potential steps to the review:
 - i. Step 1 – Initial Review: An environmental assessor will visit the property. The assessor will take photos and possibly measurements of the property from the street. They will collect tax information in order to determine the

date of construction of structures on the property. Applicants do not need to be present for this visit.

- ii. Step 2 – Issue Analysis: If the Initial Review reveals a potential environmental issue, further analysis will be required. This analysis may require follow-up site visits or additional research. TDHCA will schedule required follow-up visits in order to perform the necessary analysis. Applicants will be notified if they are required to be present for these follow-up visits.
- iii. Step 3 – Issue Mitigation: Any issue that cannot be cleared through Issue Analysis will need to be mitigated before environmental clearance is granted. TDHCA will not pay for mitigation of any issue identified during the environmental review; however, applicants will be told what is required and may choose to mitigate the issue or withdraw from the SRRAP. All mitigation must be completed within the timeframe specified by TDHCA. Examples of mitigation include making modifications to the building plans, moving the building site, or obtaining special permits for the property.

VIII. CONSTRUCTION

- A. For Rehabilitation the properties must comply with local building codes, and the entire structure must comply with local health and safety codes and standards, and housing quality standards (HQS).
- B. For reconstruction including newly constructed homes, the entire structure must be in compliance with building codes and zoning ordinances and applicable construction or livability standards after assistance including:
 - a. Energy standards as verified by a RESCHECK TM certification. The certification must be available in the file prior to purchase.
 - b. The IRC as 11 of the IRC as required by Chapter 388 of the Health and Safety Code as applicable.
- C. The project costs must be “reasonable and customary” as determined by an acceptable, independent third party report or considered reasonable as documented by a bidding process.
- D. Under the Rehabilitation Program, any housing unit built before 1978 must be inspected for hazards associated with the presence of lead-based paint or may be presumed to have lead-based paint hazards. Proof of notifications, work completed and clearance examination must be available.

- E. Under the Rehabilitation Program, any housing unit must be in compliance with Section 31 of the Federal Fire Prevention Control Act of 1974 which requires that any housing unit rehabilitated with Department funds be protected by a hard-wired or battery-operated smoke detector.
- F. Reconstructed or new construction must comply with Texas Government Code 2306.514.
- G. Ten percent (10%) of each draw will be held as retainage until satisfactory completion of the project.

IX. COMPLIANCE

- A. In exchange for the loan award, each applicant agrees to comply with all LURA terms and requirements as a rental landlord.

X. LAND USE RESTRICTION

- A. A Land Use Restriction Agreement (LURA) will be placed on each SF property receiving disaster funds to repair, construct or reconstruct rental units. The LURA must be approved by TDHCA. The LURA must contain a ten (10) year affordability period beginning after closeout of loan or grant and require acceptance of Section 8 housing choice rental vouchers when the owner owns 20 or more single family projects.
- B. Applicants will be required to sign a Land Use Restriction Agreement (LURA), which sets forth income and rent restrictions applicable to units of affordable rental housing and constituting, with respect to the specific affordable rental housing. These documents will be filed with the local county clerk's office in the land records. The LURA imposes the requirements on the property for the full loan period of five (5) years.
- C. The Land Use Restriction Agreement is an officially-filed restriction that ensures the property will remain rent restricted for the full loan period. At the end of the loan period, the restriction will automatically terminate and will no longer be valid or enforceable. Since the LURA is "self executing", nothing will need to be filed at the local county clerk's office to show that the loan period has ended. If the applicant abides by the terms and conditions of the LURA for the full five (5) year compliance period, the loan will be forgiven and no interest will be charged provided the landlord complies with the LURA requirements.
- D. The Land Use Restriction Agreement will expire on the fifth (5th) anniversary of the later of the issuance of the Certificate of Occupancy or the loan closing.

XI. FORGIVABLE LOAN DEFAULT

- A. Disaster assistance is provided as an unsecured note to landlords receiving rehabilitation or reconstruction assistance.

- B. Violation of any terms of the LURA will result in a Statement of Noncompliance being issued to the applicant. The notice will state clearly the reasons for noncompliance and will allow the applicant time to correct the non-compliance.
- C. If the applicant is in default, the amount of loan principal then outstanding (based upon the amount previously forgiven during the 5 year period) shall immediately become due and payable.
- D. Upon default the forgivable loan will immediately convert to an interest-bearing demand note and becomes immediately due and payable.
- E. The due and payable amount will be based upon the unforgiven amount of the loan.
- F. Default occurs at the property level. If the unit is found to be non-compliant with the LURA, then the entire property will be considered in default.
- G. Interest on defaulted loan awards will be set at the London Interbank Offered Rate (LIBOR) plus one percent (1%). Interest will be calculated beginning on the date that the first check is issued.

XII. RELOCATION

- A. The Developer/Borrower is responsible for the relocation activities related to the project. The Developer / Borrower shall comply with program regulations at 24 CFR §570.606, the Uniform Relocation Assistance and Real Property Policies Act of 1970 ("URA"), as amended, at 49 CFR §24, and §104(d) of the Housing and Community Development Act of 1974, as amended, at 24 CFR §42.
- B. If applicable, Developer / Borrower shall submit to the subrecipient copies of all documentation relating to URA, including but not limited to, a Relocation Plan with Assurance Letter, Notice to Real Property, Tenant Status Reports, and all Notices with Tenant Acknowledgments as required by the URA.

XIII. LANDLORD REQUIREMENTS

- A. These requirements include:
 - a. Leasing all units to tenants that have eligible household incomes (80% AMI or below).
 - b. Charging rents that are at or below High HOME rents.
 - c. Following income certification and verification procedures and keeping records on all tenants' income.
 - d. Maintaining complete and accurate rent rolls.

- e. Renting units in accordance with HUD Fair Housing Standards.
- B. The applicant is responsible for maintaining complete and accurate records for the full period of the loan term. These records must fully and completely support the satisfactory completion of all compliance items. These records must be provided to the subrecipient or TDHCA upon request.
- C. Compliance with these terms for the full period of the loan will result in loan forgiveness, leaving the applicant with no obligation to repay the loan or interest on it. Failure to comply with terms will lead to non-compliance.



County of Galveston Purchasing Department Vendor Qualification Packet

(rev. 1.2, March 29, 2010)

All interested parties seeking consideration for qualified vendor status with the County of Galveston should complete and return only the following attached forms to:

Galveston County Purchasing Department
722 Moody Avenue, (21st Street), 5th Floor
Galveston, Texas 77550
(409) 770-5371 office
(409) 621-7987 fax

- Form PEID:** Person /Entity Information Data
Form W-9: Request for Taxpayer Identification Number and Certification
(please note that the included form may not be the latest revised form issued by the Internal Revenue Service. Please check the IRS website at <http://www.irs.gov/pub/irs-pdf/fw9.pdf> for the latest revision of this form.)
Form CIQ: Conflict of Interest Questionnaire
(please note that the included form may not be the latest revised form issued by the State of Texas Ethics Commission. Please check the Texas Ethics Commission website at for the latest revision of this form. Please note that Galveston County Purchasing Agent is not responsible for the filing of this form with the Galveston County Clerk per instructions of the State of Texas Ethics Commission).

Certificate(s) of Insurance: If the person or entity seeking qualified vendor status with the County will be performing work at or on any County owned facility and/or property, Certificate(s) of Insurance are required to be submitted prior to performing any work.

Insurance requirements are as follows:

Public Liability and Property Damage Insurance:

Successful vendor agrees to keep in full force and effect, a policy of public liability and property damage insurance issued by a casualty company authorized to do business in the State of Texas, and in standard form approved by the Board of Insurance Commissioners of the State of Texas, with coverage provisions insuring the public from any loss or damage that may arise to any person or property by reason of services rendered by vendor. Vendor shall at its own expense be required to carry the following minimum insurance coverages:

- For damages arising out of bodily injury to or death of one person in any one occurrence – one hundred thousand and no/100 dollars (\$100,000.00);
- For damages arising out of bodily injury to or death of two or more persons in any one occurrence – three hundred thousand and no/100 dollars (\$300,000.00); and
- For injury to or destruction of property in any one occurrence – one hundred thousand and no/100 dollars (\$100,000.00).

This insurance shall be either on an occurrence basis or on a claims made basis. Provided however, that if the coverage is on a claims made basis, then the vendor shall be required to purchase, at the termination of this agreement, tail coverage for the County for the period of the County's relationship with the vendor under this agreement. Such coverage shall be in the amounts set forth in subparagraphs (1), (2), and (3) above.

Worker's Compensation Insurance:

Successful vendor shall also carry in full force Workers' Compensation Insurance policy(ies), if there is more than one employee, for all employees, including but not limited to full time, part time, and emergency employees employed by the vendor. Current insurance certificates certifying that such policies as specified above are in full force and effect shall be furnished by the vendor to the County.

The County of Galveston shall be named as additional insured on policies listed in subparagraphs above and shall be notified of any changes to the policy(ies) during the contractual period. Insurance is to be placed with insurers having a Best rating of no less than A. The vendor shall furnish the County with certificates of insurance and original endorsements affecting coverage required by these insurance clauses. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The vendor shall be required to submit annual renewals for the term of any contractual agreement, purchase order or term contract, with Galveston County prior to expiration of any policy.

In addition to the remedies stated herein, the County has the right to pursue other remedies permitted by law or in equity.

The County agrees to provide vendor with reasonable and timely notice of any claim, demand, or cause of action made or brought against the County arising out of or related to utilization of the property. Vendor shall have the right to defend any such claim, demand, or cause of action at its sole cost and expense and within its sole and exclusive discretion. The County agrees not to compromise or settle any claim or cause of action arising out of or related to the utilization of the property without the prior written consent of the vendor.

In no event shall the County be liable for any damage to or destruction of any property belonging to the vendor unless specified in writing and agreed upon by both parties.

Procurement Policy - Special Note:

Understand that it is, according to Texas Local Government Code, Section 262.011, Purchasing Agents, subsections (d), (e), and (f), the sole responsibility of the Purchasing Agent to supervise all procurement transactions.

Therefore, be advised that all procurement transactions require proper authorization in the form of a Galveston County purchase order from the Purchasing Agent's office prior to commitment to deliver supplies, materials, equipment, including contracts for repair, service, and maintenance agreements. Any commitments made without proper authorization from the Purchasing Agent's office, pending Commissioners' Court approval, may become the sole responsibility of the individual making the commitment including the obligation of payment.

Code of Ethics - Statement of Purchasing Policy:

Public employment is a public trust. It is the policy of Galveston County to promote and balance the objective of protecting the County's integrity and the objective of facilitating the recruitment and

retention of personnel needed by Galveston County. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public office.

Public employees must discharge their duties impartially so as to assure fair competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Galveston County procurement organization.

To achieve the purpose of these instructions, it is essential that those doing business with Galveston County also observe the ethical standards prescribed here.

General Ethical Standards: It shall be a breach of ethics to attempt to realize personal gain through public employment with Galveston County by any conduct inconsistent with the proper discharge of the employee's duties.

It shall be a breach of ethics to attempt to influence any public employee of Galveston County to breach the standards of ethical conduct set forth in this code.

It shall be a breach of ethics for any employee of Galveston County to participate directly or indirectly in procurement when the employee knows that:

- The employee or any member of the employee's immediate family has a financial interest pertaining to the procurement.
- A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement.
- Any other person, business or organization with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

Gratuities: It shall be a breach of ethics to offer, give or agree to give any employee of Galveston County, or for any employee or former employee of Galveston County to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before this government.

Kickbacks: It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Galveston County, or any person associated therewith, as an inducement for the award of a subcontract or order.

Contract Clause: The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation by Galveston County.

Confidential Information: It shall be a breach of ethics for any employee or former employee of Galveston County to knowingly use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.

Questions/Concerns:

If you have any questions or concerns regarding the information or instructions contained within this packet, please contact any member of the Purchasing Department staff at (409) 770-5371.

CONFLICT OF INTEREST DISCLOSURE REPORTING

Proposer may be required under Chapter 176 of the Texas Local Government Code to complete and file a conflict of interest questionnaire (CIQ Form). If so, the completed CIQ Form must be filed with the County Clerk of Galveston County, Texas.

If Proposer has an employment or other business relationship with an officer of Galveston County or with a family member of an officer of Galveston County that results in the officer or family member of the officer receiving taxable income that exceeds \$2,500.00 during the preceding 12-month period, then Proposer **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County.

If Proposer has given an officer of Galveston County or a family member of an officer of Galveston County one or more gifts with an aggregate value of more than \$250.00 during the preceding 12-months, then Proposer **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County.

The Galveston County Clerk has offices at the following locations:

Galveston County Clerk
Galveston County Justice Center, Suite 2001
600 59th Street
Galveston, Texas 77551

Galveston County Clerk
North County Annex, 1st Floor
174 Calder Road
League City, Texas 77573

Again, if Proposer is required to file a CIQ Form, the original completed form is filed with the Galveston County Clerk (not the Purchasing Agent).

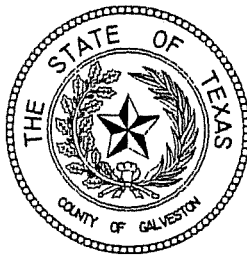
For Proposer's convenience, a blank CIQ Form is enclosed with this proposal. Blank CIQ Forms may also be obtained by visiting the Galveston County Clerk's website and/or the Purchasing Agent's website – both of these web sites are linked to the Galveston County homepage, at <http://www.co.galveston.tx.us>.

As well, blank CIQ Forms may be obtained by visiting the Texas Ethics Commission website, specifically at http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm.

Chapter 176 specifies deadlines for the filing of CIQ Forms (both initial filings and updated filings).

It is Proposer's sole responsibility to file a true and complete CIQ Form with the Galveston County Clerk if Proposer is required to file by the requirements of Chapter 176. Proposer is advised that it is an offense to fail to comply with the disclosure reporting requirements dictated under Chapter 176 of the Texas Local Government Code.

If you have questions about compliance with Chapter 176, please consult your own legal counsel. Compliance is the individual responsibility of each person, business, and agent who is subject to Chapter 176 of the Texas Local Government Code.



COUNTY of GALVESTON
Purchasing Department

rev. 1.3, March 29, 2010

FORM PEID:	Request for Person-Entity Identification Data
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Instructions: Please type or print clearly when completing sections 1 thru 4 and return completed form to:

Galveston County Purchasing Agent
722 Moody Avenue (21st. Street), 5th Floor
Galveston, Texas 77550
(409) 770-5371 office
(409) 621-7987 fax

1.

Business Name:			
Attention Line:			

2.

Physical Address:			
City:		State:	Zip+4:

3.

Billing / Remit Address:			
City:		State:	Zip+4

4.

Main Contact Person:			
Main Phone Number:			
Fax Number:			
E-mail Address:			

Areas below are for County use only.

Requested By:	Phone / Ext. #
Department:	Date:

Action Requested - Check One:	IFAS PEID Vendor Number:	
<input type="checkbox"/> Add New	<input type="checkbox"/> Change Data	<input type="checkbox"/> Re-activate
<input type="checkbox"/> Inactivate	<input type="checkbox"/> Employee	<input type="checkbox"/> Attorney
<input type="checkbox"/> Landlord	<input type="checkbox"/> Foster Parent	<input type="checkbox"/> Refund
<input type="checkbox"/> One Time	<input type="checkbox"/> Foster Child	

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your Income tax return)	
Business name, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see Instructions) ▶	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number
OR
Employer identification number

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here

Signature of U.S. person ▶

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$800 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹See Form 1099-MISC, Miscellaneous Income, and its instructions.

²However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see *Exempt Payee* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT(438-4338).

Visit the IRS website at www.irs.gov to learn more about identity theft and how to reduce your risk.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

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

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

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

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

OFFICE USE ONLY

Date Received

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

2 Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information in this section is being disclosed.

Name of Officer

This section (item 3 including subparts A, B, C, & D) must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

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

Yes No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more?

Yes No

D. Describe each employment or business and family relationship with the local government officer named in this section.

4

Signature of vendor doing business with the governmental entity

Date