City of Franklin, Tennessee Request for Proposals

Purchasing Office Solicitation No.: 2018-012

1. Solicitation identified: This Request for Proposals applies to the following procurement:

bad debt collection services

Purchasing Office Solicitation No.: 2018-012

2. Notice to Proposers publication date: **March 8, 2018**

3. Solicitation release date: **March 9, 2018**

4. Deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation: **April 3, 2018, 2:00 p.m. Central Time**

5. Proposals submittal deadline and scheduled opening: **April 12, 2018, 2:00 p.m. Central Time**

6. Tentative date of release of City's tabulation of proposals received and notice of intent to award: **May 4, 2018**

7. Tentative date of award: Meeting of Board of Mayor and Aldermen at which is tentatively scheduled to be awarded the selection of the proposal that best meets the needs of the City: **May 22, 2018**

8. Objective: To secure, by means of a competitive procurement process, the selection of a responsive and responsible proposal, that best meets the needs of the City of Franklin, to furnish all labor, materials and means necessary to supply and deliver to the City of Franklin Office of Revenue Management certain bad debt collection services, as described and required below, including pursuing and obtaining payments from obligors of the City for specified past due and delinquent accounts and dishonored checks presented to the City and intended to be applied to accounts receivable of the City. See the accompanying Instructions for Proposers for additional information and instructions.

9. Exceptions:

   a. To avoid the need to take an exception to this procurement solicitation, potential proposers may request revisions to the same before the deadline for optional submittal in writing of questions seeking to revise or clarify any aspect of this procurement solicitation. See the accompanying Instructions for Proposers for contact information.

   b. Any deviation or variance from this procurement solicitation shall be considered by the City to be an exception.

   c. Any exceptions to this procurement solicitation shall be listed in detail in a separate document to be prepared by the proposer. Such listing shall include a description of

exactly how such exceptions deviate from the City's expectations as expressed and implied by the procurement solicitation, and shall indicate why such exceptions should be judged by the City to meet or exceed those expectations. Any and all exceptions to this procurement solicitation which the City, in its sole discretion, deems not to meet or exceed the City's intention as expressed and implied by the procurement solicitation may be considered by the City as a factor in evaluating the proposal.

10. General terms and conditions:

    a. Proposal price: The proposal price shall include all equipment, labor, materials, permit(s), freight and required insurance to render the specified service(s).

    b. Delivery terms: As a matter of practice, the City expects vendors for the City to ship any and all deliverables FOB destination, freight prepaid and allowed. The City's preferred delivery terms, as described in the preceding sentence, are offered to the proposer as a condition of award. If the City's preferred delivery terms are unacceptable to the proposer, then the proposer shall indicate on the Submittal Form its preferred delivery terms. Delivery terms may be a factor in the City's selection criteria. Delivery terms are non-negotiable after award is made.

    c. Payment terms: As a matter of practice, the City pays for goods and/or services only after receipt and acceptance by the City of all such goods and/or services as ordered, and only after receipt of an accurate, proper, complete and itemized invoice for all such goods and/or services as ordered, net thirty (30) calendar days from date of delivery and/or completion/installation/rendering or date of invoice, whichever is later. The City's preferred payment terms, as described in the preceding sentence, are offered to the proposer as a condition of award. If the City's preferred payment terms are unacceptable to the proposer, then the proposer shall indicate on the Submittal Form its preferred payment terms. Payment terms may be a factor in the City's selection criteria. Payment terms are non-negotiable after award is made.

    d. Applicable laws and regulations: All applicable federal and state laws, city ordinances, orders, rules and regulations of all authorities having jurisdiction over the specified service(s) shall apply to the quoted purchase price, and they will be deemed to be included in this procurement solicitation the same as though they are written out in full herein.

    e. Use of subcontractors: The successful proposer may subcontract any portion of the award but only with the prior consent of the City. Requirements for references and insurance shall apply to any subcontractor.

    f. Safe work area: The successful proposer will be expected to utilize best practices to minimize the risk of personal injury to the public, City personnel and employees of the proposer and/or the proposer's subcontractors, if any.

    g. Other documents to be required of successful proposer: See the accompanying "Instructions for Proposers" for a listing of other documents to be required of the successful proposer.

h. Damages: The successful proposer shall be responsible for any damages it causes in the course of performing the specified service(s), and shall repair or replace any damaged property to the satisfaction of the City at the successful proposer's own expense and at no additional charge to the City.

i. Terms and Conditions: By submitting its proposal, the proposer certifies that it has read and accepts all terms, conditions and requirements of this solicitation, including the terms and conditions identified and listed in the City's Standard Procurement Terms and Conditions attached hereto and hereby incorporated by reference.

j. Refusal to honor submittal: If and after an award is made by the City, if the proposer refuses to execute an agreement or contract or in any other way honor the terms and conditions of its submittal, the City shall be entitled to seek compensation for its damages, which may include the cost of conducting a new solicitation.

k. Confidential and/or proprietary information; trade secrets. All contents of all submittals are subject to public disclosure and shall not contain any confidential and/or proprietary information and/or trade secrets. Further, by submitting its proposal, the proposer indemnifies and holds the City of Franklin harmless against any loss or damage, including reasonable attorney fees, it may incur as a result of the City's reliance upon the proposer's representation that materials supplied by the proposer do not contain trade secrets or proprietary information which is not subject to public disclosure.

11. Detailed requirements: Please note:

- Proposers are required to submit with their proposal a detailed description of all proposed products, items and/or services.
- Any exceptions to this procurement solicitation shall be listed in detail in a separate document to be prepared by the proposer. Such listing shall include a description of exactly how such exceptions deviate from the City's expectations as expressed and implied by the procurement solicitation, and shall indicate why such exceptions should be judged by the City to meet or exceed those expectations.

11.1. General Requirements.

11.1.1. The City of Franklin seeks proposals from qualified and competent service providers for bad debt collection services for various indebtedness to the City including, but not limited to: utility service bills (water, wastewater, reclaimed, stormwater, and sanitation); court fees and fines; licenses and permits; taxes and assessments (very limited); fees, fines, and penalties; recovery for damage to the City's property; and legal judgments; all as identified by the City and transferred from the City to the selected service provider for collections. In addition, payments made to the City using checks or other negotiable instruments that are returned as "NSF" or other annotation indicating that the presenter did not honor the instrument may be forwarded to the selected service provider for collection.

11.1.2. Pricing shall include the proposer furnishing, supplying and delivering all necessary labor, tools, equipment, supplies, materials, software, internet presence and access, and other items required to collect, monitor, track, report and remit funds to the City. The proposer's offered services shall include any programming by the proposer necessary to import/export data for updating accounts. The City will provide all computer hardware for use by City personnel. Any hardware and/or software that is required to operate the proposer's software or web application or online portal shall be itemized in the proposal.

11.1.3. The selected service provider may conduct work on their premises or in a location convenient to them for pursuing delinquent accounts. Office space will not be available on City premises for the selected service provider's staff to regularly perform duties required for any contract made pursuant to this solicitation. Occasional visits to Franklin City Hall, located at 109 3rd Avenue S, Franklin TN, may be conducted to train City staff and coordinate specific work items. It is expected that most of the communications will be via electronic means, including transfer of accounts from the City, maintaining account status, and remittance of funds.

11.1.4. The term of award pursuant to this solicitation shall be for three (3) years, effective upon acceptance by the City. At any time after commencement but before or as soon as practicable after the expiration of this term of award, the City and the selected service provider may exercise an option to extend the term of award twice, each time for up to one (1) additional year, for a maximum possible term of award of five (5) years total, provided: (a) that both parties consent to such an extension at that time; (b) that the decision to exercise such an extension is memorialized in writing and is executed by one or more authorized representatives of each party; (c) that the same terms and conditions that apply to the original term of award shall also apply to such an extension, including pricing; and (d) that if the selected service provider chooses not to consent to an extension to the term of award, then it shall notify the City of that decision a minimum of six (6) months in advance of the scheduled expiration of the then-current term of award. Note that the City and the selected service provider each specifically retain the right, with or without cause, not to extend the term of award.

11.1.5. Throughout the term of award, including any exercised options to extend the term of award, the selected service provider shall comply with all regulatory requirements relative to practices followed and fees charged as required in the Code of Federal Regulations and Tennessee Code Annotated, and as required by the Tennessee Department of Revenue, Tennessee Department of Commerce & Insurance and other applicable federal and state regulatory requirements. Failure to maintain compliance with and adhere to changes to state and federal requirements is justification for termination of any contract made pursuant to this solicitation.

11.1.6. The City will monitor the ongoing operational performance of the selected service provider including, but not limited to: adherence to federal and state regulatory requirements for debt collection, customer relations, the percentage of accounts submitted and collected, completeness and accuracy of record-keeping (history and audit trails), flexibility in reporting and adjusting of data, procedures for handling errors, fees for services rendered, and data communications between the City and the selected service provider.

11.1.7. The selected service provider shall make available both detail and summary reports and information about the accounts transferred to the selected service provider for collection. The data available shall include obligor information, amounts transferred to the selected service provider, total collections, all net amounts due the City, comments on actions by the selected service provider, write-offs, partial collections, and payment agreements.

11.1.8. The funds collected and a monthly report of collections are due to the City no later than ten (10) days following the month in which the funds are collected. It is expected that these reports would be available using the selected service provider's software or web application or online portal. Funds shall be directly deposited into the City bank account specified by the City, with instructions provided by the City following award.

11.1.9. All data, reports and records pertaining to this solicitation shall be the sole, absolute and exclusive property of the City, free from any claim or retention of rights thereto on the part of the selected service provider, its agents, subcontractors, officers, or employees.

11.1.10. The City will determine the acceptability of the selected service provider's work. Work shall be completed in a responsible professional manner in accordance with this Request for Proposals, mutually agreeable schedules established pursuant to this solicitation, and performance and operating standards incorporated in any contract made pursuant to this solicitation.

11.1.11. The City currently uses Infor for managing utility billing and the Local Government Data Processing Corporation's CTRIS application for court fees and fines.

11.2. Minimum Requirements of Proposer.

11.2.1. The proposer must have been in the financial debt collection business for at least five (5) years.

11.2.2. The proposer must have been conducting collections for local governments for at least three (3) years.

11.2.3. The proposer must be licensed and bonded as required by the State of Tennessee. Should the selected service provider fail to maintain current licensure with the State as a collections agent, the City has grounds for terminating any contract made pursuant to this solicitation.

11.2.4. The proposer must be a current member in good standing of the American Collector's Association.

11.3. Information Required to be Submitted with Proposal.

11.3.1. Costs of Collection and pricing.

11.3.1.1. The proposer shall present information sufficient for the City to determine the costs to be borne by the City and the obligor at various stages in the collections process.

11.3.1.2. The proposer shall quote the fees to be charged for each delinquent account, including any cost variation by type. It is expected that the cost of collection shall be recovered from the delinquent party to the extent such collection is possible, and that any fees of the proposer shall be added by the selected service provider directly to the delinquent party's account balance.

11.3.1.3. The proposer shall submit pricing to include any cost of collection to be charged to the City, when that is due and, in the event of an amount due the selected service provider more than the amount collected and due the City, methods of acceptable payment by the City.

11.3.1.4. The proposer shall submit pricing and methodology for applying legal collection fees to the delinquent payee should the account be deemed to be pursued through court actions.

11.3.2. Data Security, Communications, Hardware and Software.

11.3.2.1. The proposer must provide data security and communications protocols for approval by the City.

11.3.2.2. The proposer must provide any computing requirements to include hardware, software, server, data lines and other requirements necessary to install and maintain the tool deployed by the proposer.

11.3.3. Other Required Information.

11.3.3.1. The proposer must provide documentation supporting its compliance with the minimum requirements listed above.

11.3.3.2. List at least three (3) but no more than five (5) clients (at least one (1) of which is a municipal client), for whom, within the last three (3) years, the firm has provided services closely resembling the services being requested. For each client, describe the type of work performed by the firm, indicate similarities and differences of the client with the City of Franklin, and note the period of time the firm was or has been retained as a client. For each client, include the name, title, street address, current e-mail address, and current telephone number of the person best informed and qualified to speak about the project that the City of Franklin may contact as a reference for that client.

11.3.3.3. The proposer must provide a listing of any current municipal clients in Tennessee.

11.3.3.4. The proposer must provide a copy of the collection procedures, practices, forms, templates, email/phone scripts and other means to communicate with delinquent payees sufficient for the City to determine that the City's interests are well preserved. These detailed collection, contact and communication procedures, including all standard letter templates and telephone contact scripts shall be provided to the City as part of the proposal. Any revisions made by the selected service provider after submittal of its proposal shall be communicated to and approved by the City prior to implementing.

11.3.3.5. The proposer must provide copies of standard reports that will be available to the City for determining and assessing the status of collections efforts.

11.3.3.6. The proposer must provide a training plan for ensuring City staff members are sufficiently trained in the use of the applicable software, including account transfers from/to the City and reporting.

11.3.3.7. The proposer must provide the City information about the primary contact(s) and the principal staff who will be working with the City, including information about their selection, training and certification, as well as details pertaining to the proposer's company organization, including detailed ownership information of the proposer's company and structure and whether the selected service provider is a private or public entity. The last audited financial statement and two (2) credit references shall be included as part of the submittal. The City reserves the right to require the proposer to submit three (3) years of financial statements.

11.3.3.8. The proposer must include any and all costs which might be incurred by the City should the proposal be accepted. The method of compensation must be clearly defined.

11.3.3.9. The proposer must include any and all costs which might be incurred by obligors of the City should the proposal be accepted. The method of compensation must be clearly defined.

11.4. Proposal Evaluation Criteria for Award.

The City will conduct an initial evaluation of all proposals. From that review, one or more finalists may be invited to interview and/or requested to demonstrate the proposed software. The software tool may be presented to display how data is transferred and shared, reporting is done, monies are remitted to the City and controls are built into the application. Final evaluation may be made based on that interview and/or demonstration and a final evaluation of the finalist proposals. Proposal evaluation criteria, as well as the relative importance – expressed in possible points out of 100 – of each criterion to be used by the City are as follows:

11.4.1. Method of Collection (up to 25 points possible) – Proposer must provide and demonstrate the tools, policies and procedures of their agency or firm. While the proposer shall remain an independent contractor and not an agent, the City considers outside collection activity a reflection of itself and, therefore, will place emphasis on collection procedures. As required above, a detailed description of the process, to include communication methods and forms and timing, shall be provided.

11.4.2. Past Experience (up to 25 points possible) – Attention will be given to the proposer's experience with other institutions of a similar nature as the City, and those institutions' recommendation thereof. The proposer must provide objective results of collection results from similar collection activities for similar municipalities.

11.4.3. Technical Capacity (up to 15 points possible) – Proposer must propose a collection schedule which is most advantageous to the City. Proposer must have the capability to transfer ASCII text data to and/or from the City via FTP, and must possess flexibility in reporting and adjusting of data and clearly defined procedures for handling errors and exceptions in data communications. User must have a static IP address from which contact will be made with the City's servers via secured, CISCO VPN connection. Data transmission must be able to run unattended during non-business hours. The City's IT Department shall be allowed to decide transmission time. The format and content of the bi-directional data file must conform to the City's requirements.

11.4.4. Knowledge and Experience of Proposer in collection of Subrogation and Tort Claim Accounts (up to 5 points possible) – The proposer's staff shall demonstrate suitable experience and skill in collection subrogation and tort claim accounts as well as past due accounts receivable. Management, staff selections, training and certification will be considered.

11.4.5. Financial Strength (up to 10 points possible) – Proposals will be evaluated on their financial strength as evidenced by their financial statements and credit references.

11.4.6. Cost of collection (up to 20 points possible) – Proposals will be evaluated on the cost to be borne by the City and obligor for funds collected.

11.5. Award of Contract made pursuant to this solicitation.

11.5.1. The City reserves the right to award part of the collection services to one proposer, and part to another, if that arrangement is deemed by the City to be most advantageous to the City.

11.5.2. Notwithstanding any other provision of the Request for Proposals, the City expressly reserves the right to:

11.5.2.1. Waive any immaterial defect or informality; or

11.5.2.2. Reject any or all proposals, or portions thereof; or

11.5.2.3. Reissue a Request for Proposals; or

11.5.2.4. Cancel the solicitation.

11.6. Costs of Collection.

The selected service provider shall compute the cost of collection for each delinquent account, and shall add such cost to the account balance to be collected from the delinquent party. All costs of collection shall be recovered from the delinquent party, to the extent such collection is possible.

11.7. Compromise of Accounts.

The selected service provider shall not have the authority to adjust or compromise the amount of any account balance unless prior written approval from the City is first obtained. The selected service provider shall have the capacity to add legal fees and costs of collections to the account in accord with preapproved methodology and state law. The selected service provider shall have the capacity to accrue interest and penalties on accounts in accordance with state and City regulations.

11.8. Initiating Suit on Behalf of the City.

11.8.1. The selected service provider shall have no authority to and shall not initiate legal suit against any person to recover sums owed to the City unless prior written approval from the City has been obtained.

11.8.2. Prior to initiating suit against any person or group of persons, the selected service provider shall provide the City with a list of such persons and an estimate of the filing fees and other expenses necessary to file suit. Any filing of such suits and the fee agreements relating thereto are subject to the approval of the City Attorney.

11.9. Claims against the City.

If the selected service provider becomes aware of any claim or demand of any person against the City and/or its officers, agents or employees arising out of or related to any account (or the services underlying such an account) referred to the selected service provider by the City, then the selected service provider shall promptly report such information as the selected service provider may have concerning the claim or demand to the City's designated representative; such a report shall be in writing.

11.10. Recalled by the City.

The City may recall any account upon notice to the selected service provider. No compensation shall be due to the selected service provider as a result of an account if the recall is because:

11.10.1. A claim or demand is asserted against the City, its officers, agents, or employees.

11.10.2. It is discovered, through no documented effort of the selected service provider, that a third party will pay the account balance.

11.10.3. Payment is made between the time of placement with the selected service provider and the date of the selected service provider's first correspondence with the responsible party.

11.10.4. The City in its discretion decides that it would be inequitable to collect the claim against the party.

11.11. Release and Returned Accounts.

11.11.1. The proposer shall include within its proposal both a schedule as well as circumstances for returning accounts to the City when it appears that collection efforts are futile. Additionally, accounts shall be returned upon termination of any contract made pursuant to this solicitation.

11.11.2. The proposer agrees to release and return accounts assigned for collection after receiving a written notice from the City, by listing the accounts in alphabetical order, and the City's current balance. Accounts in process of collection by the selected service provider, or externally through an affiliated collection agent, will be returned within 180 days written notice. Accounts on which payment has been made within 90 days or is anticipated within 180 days will remain with the selected service provider for a period not to exceed one (1) year.

11.12. Bankruptcies of Responsible Party.

11.12.1. In the event the person, or persons, legally responsible for payment of the account balance files a petition for bankruptcy after the referral to the selected service provider, then either party hereto who receives notice of such a petition shall promptly advise the other party of the fact.

11.12.2. The account will remain with the selected service provider, and the selected service provider will file proof of claim and be entitled to fees as outlined in any contract made pursuant to this solicitation to refund within thirty (30) calendar days any of the funds collected by selected service provider as a result of the bankruptcy proceeding. The selected service provider shall return to the City any of the selected service provider's commission based on funds required to be returned.

11.13. Remittance of Funds; Reporting to the City.

11.13.1. On or before the tenth (10th) calendar day of each month, beginning one (1) month following the execution of any contract made pursuant to this solicitation, the selected service provider shall remit to the City a sum equal to the total sum actually collected by the selected service provider, less compensation due to the selected service provider pursuant to said contract.

11.13.2. Payment of any invoice shall not preclude the City from making claim for adjustment on any service found not to have been in accordance with any contract made pursuant to this solicitation.

11.13.3. At the same time the selected service provider remits funds to the City pursuant to the terms of any contract made pursuant to this solicitation, the selected service provider shall provide detailed written and computerized collection report(s), which can be transmitted or accessed electronically via Internet. The report shall not contain less than the following information individually and collectively for all account activity. In calculating amounts, the reports shall account for the most recent twelve (12) months individually and prior years cumulatively.

11.13.3.1. Debtor's name, ticket and/or account number.

11.13.3.2. Amount of original balance transferred for collection.

11.13.3.3. Date account placed.

11.13.3.4. Amount collected since referral.

11.13.3.5. Current balance of account.

11.13.3.6. Number of accounts placed.

11.13.3.7. Dollar amount of accounts placed.

11.13.3.8. Current month collections.

11.13.3.9. Cumulative collections.

11.13.3.10. Recovery rate.

11.13.3.11. Number and dollar amount of accounts closed.

11.13.3.12. Number and dollar amount of active accounts.

11.14. Conflict of Interest.

11.14.1. The City has the right to preclude offering an award to an entity which has a real or potential conflict of interest as determined by the City.

11.14.2. The City has the right to terminate any contract made pursuant to this solicitation with the selected service provider which has a real or potential conflict of interest as determined by the City.

11.15. Licensure.

11.15.1. During the term of award, including any extension(s) thereto, the selected service provider shall continue to maintain in good standing its licensure as a collection agency in the State of Tennessee.

11.15.2. The City has the right to terminate any contract made pursuant to this solicitation with the selected service provider which does not maintain all required licenses with the State.

11.16. Cancellation.

11.16.1. If the selected service provider fails to fulfill, in a timely and proper manner, its obligations under any contract made pursuant to this solicitation, or if it should violate any of the terms of said contract, then the City shall have the right to immediately terminate that contract and to withhold payments that are more than compensation due for work completed. Such a "breach of contract" would include, but is not limited to, failure to comply with any applicable federal, state, or local laws or regulations.

11.16.2. Notwithstanding the above, the selected service provider shall not be relieved of any liability to the City for damages resulting from any breach of contract by the selected service provider.

11.17. Procurement from Other Sources.

11.17.1. The City may have need to pursue financial debt collections for certain fees using other legal means.

11.17.2. The City reserves the right to procure, obtain or use other means or services to obtain financial debt collection using other sources when the City determines it is in its best interest to do so.

11.18. Contract Termination.

Either party hereto may terminate any contract made pursuant to this solicitation upon sixty (60) calendar days with prior written notice of such termination to the other party. Upon contract termination, the selected service provider shall provide via electronic media all information necessary for the City or its representative to pursue further collection of any outstanding accounts.

11.19. Audit by the City.

The selected service provider's records pertaining to accounts referred by the City shall be open for audit and inspection by the City or its agents at any time during regular business hours.

11.20. Confidentiality.

11.20.1. The proposer acknowledges that any information disclosed to it concerning the City's operations during performance of any contract made pursuant to this solicitation that is confidential and/or proprietary to the City shall not be disclosed to third parties without the City's prior written consent.

11.20.2. The proposer further acknowledges that some information received from the City concerning delinquent accounts may be confidential, and any such confidential information shall not be disclosed to third parties without the City's prior written consent.

11.21. Compliance with Laws.

The proposer agrees to comply with all applicable federal, state and local laws and regulations.

11.22. Historical Metrics of City Accounts.

11.22.1. Currently, the City has no delinquent accounts except for Utilities and Court, for both of which accounts below $100 will generally not be submitted for collection. For the City fiscal years ending June 30, 2016 and June 30, 2017, Utility and Court accounts referred for collections are as follows:

Revenue Stream	Utilities		Court	
City Fiscal Year	2016	2017	2016	2017
Accounts Referred	345	277	155	119
Averages per Account	$249.99	$247.16	$198.94	$231.17
Totals	$86,248	$68,463	$30,835	$27,510

11.22.2. The City does not have any outstanding fees and permits that are delinquent.

11.23. Insurance Requirements.

11.23.1. Before award of the procurement by the City, the successful proposer (that is, the proposer who is recommended be awarded the purchase) shall provide one or more unexpired certificates of insurance providing evidence of the following minimum types and limits of insurance coverage:

Type of Coverage	Limits of Coverage	Certificate of Insurance
Commercial General Liability	• $1,000,000 Each Occurrence • $2,000,000 General Aggregate • $1,000,000 Personal and Advertising Injury • $2,000,000 Products-Completed Operations Aggregate	Certificate of Insurance shall indicate Certificate Holder[1] as Additional Insured with Additional Insured endorsement attached for both Premises/Operations and Products/Completed Operations
Automobile Liability (Owned, Non-Owned, and Hired Vehicles)	$1,000,000 Combined Single Limit Each Accident	Certificate Holder[1] only
Workers Compensation[2]	• Statutory Limits • Waiver of Subrogation shall apply	Certificate Holder[1] only
Employers Liability[2]	• $1,000,000 Bodily Injury Each Accident • $1,000,000 Policy Limit Bodily Injury by Disease • $1,000,000 Each Employee Bodily Injury by Disease	Certificate Holder[1] only
Fidelity/Crime	• $2,000,000 per claim • $2,000,000 annual aggregate	Certificate Holder[1] only
Cyber	• $1,000,000 Cyber Liability[3] • $500,000 Network and Information Security Expenses	Certificate Holder[1] only
Professional Liability	$1,000,000 Combined Single Limit Each Accident	Certificate Holder[1] only

[1]Certificate Holder shall be listed as follows:
City of Franklin
109 3rd Ave. South
Franklin, TN 37064

[2]Workers Compensation and Employers Liability coverages are not required for Tennessee employers with fewer than five (5) employees except that employers in the construction business or trades (construction service providers) are required to carry Workers Compensation coverage unless they are sole proprietors or partners with no employees.

[3]Cyber Liability coverage shall cover all acts, errors, omissions, and negligence in the performance of services for or on behalf of the City of Franklin by selected service provider. Selected service provider shall provide for Data Security and Privacy "Cyber" coverage, including coverage for unauthorized access and use, failure of security, breach of confidential information, of privacy perils as well as breach mitigation costs and regulatory coverage. A copy of the insurance policy may be requested by the City of Franklin for review.

11.23.2. If and when insurance coverage documented by the certificate(s) of insurance referenced above expires before the expiration of any specified term of award, including any extensions thereto, or the supply, delivery and acceptance of the ordered products and/or services, pursuant to this procurement solicitation, then the successful proposer shall immediately suspend work or supply unless and until it provides one or more unexpired replacement certificates of insurance that indicates the new date(s) of insurance coverage expiration and that meets or exceeds the insurance requirements as specified above.

11.23.3. In the event that insurance coverage documented by the certificate(s) of insurance referenced above is materially modified or canceled before the expiration of any specified term of award, including any extensions thereto, or the supply, delivery and acceptance of the ordered products and/or services, pursuant to this procurement solicitation, then the successful proposer shall, immediately upon learning of any such material modification or cancelation, suspend work or supply and shall, within three (3) calendar days of such learning, notify the City of any such material modification or cancelation.

11.23.4. The successful proposer agrees to impose the City's insurance requirements upon any subcontractors it utilizes for this procurement. Use of any particular subcontractor for this procurement shall have been approved by the City in advance of that subcontractor commencing work for this procurement.