City of Santa Clara, CA

Request for Proposal
RFP CM0-001
MANAGEMENT and OPERATION of the SANTA CLARA CONVENTION CENTER and CONVENTION/VISITOR SERVICES

October 17, 2018
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>SECTION</th>
<th>HEADING</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>BACKGROUND</td>
</tr>
<tr>
<td>2</td>
<td>PURPOSE OF THIS RFP</td>
</tr>
<tr>
<td>3</td>
<td>GOVERNANCE AND BUSINESS ENGAGEMENT</td>
</tr>
<tr>
<td>4</td>
<td>GENERAL INFORMATION</td>
</tr>
<tr>
<td>5</td>
<td>STATEMENT OF REQUIREMENTS (SOR)</td>
</tr>
<tr>
<td>6</td>
<td>HOW TO OBTAIN THIS RFP</td>
</tr>
<tr>
<td>7</td>
<td>MANDATORY PRE-PROPOSAL CONFERENCE</td>
</tr>
<tr>
<td>8</td>
<td>RFP TIMELINE – KEY DATES</td>
</tr>
<tr>
<td>9</td>
<td>RFP DOCUMENTS</td>
</tr>
<tr>
<td>10</td>
<td>LATE PROPOSALS</td>
</tr>
<tr>
<td>11</td>
<td>TERM OF AGREEMENT</td>
</tr>
<tr>
<td>12</td>
<td>PROCEDURE FOR SUBMITTING QUESTIONS AND INQUIRIES</td>
</tr>
<tr>
<td>13</td>
<td>OBJECTIONS</td>
</tr>
<tr>
<td>14</td>
<td>PURCHASING CONTACT</td>
</tr>
<tr>
<td>15</td>
<td>PROPOSAL SUBMITTAL REQUIREMENTS</td>
</tr>
<tr>
<td>16</td>
<td>SELECTION PROCESS AND EVALUATION CRITERIA</td>
</tr>
<tr>
<td>17</td>
<td>BEST AND FINAL OFFER (BAFO)</td>
</tr>
<tr>
<td>18</td>
<td>BASIS OF AWARD</td>
</tr>
<tr>
<td>19</td>
<td>PROTESTS</td>
</tr>
</tbody>
</table>
1 BACKGROUND

1.1 On March 27, 1984, the City of Santa Clara executed a Management Agreement with the Santa Clara Chamber of Commerce & Convention-Visitors Bureau (Chamber) for the management and operation of the Santa Clara Convention Center (SCCC). Through the Agreement, the Chamber is responsible for performing services necessary to direct and manage all Convention Center operations including marketing and promoting the Center; booking of events; hiring of staff; and daily operations of the center including accounting, catering, security, janitorial, and, maintenance.

1.2 In January 2017, the City engaged Jones Lang LaSalle (JLL) to research different operating and governance models as well as develop an approach to growing high-priority conventions at SCCC.

1.3 On May 22, 2018, Council directed the City Manager and City Attorney execute a financial and performance audit.

1.4 TAP International was hired to conduct a financial, governance, contract management, and marketing audit of the Santa Clara Convention Center and Santa Clara Convention and Visitors Bureau (CVB). The audit scope was focused on the state of business practices by the Chamber with respect to its management of public funds and assets and the City’s contract management practices.

1.5 On September 18, 2018, TAP International presented its audit findings to the City Council. The audit has revealed failures to manage public assets with appropriate stewardship, accountability, and transparency. The audit also found that, when evaluated separately, the fiscal health of the SCCC and CVB are generally good. However, when evaluated together, there was a need to improve financial management and performance.

1.6 The TAP final audit report includes a great deal of general and statistical information about the SCCC including:

- The roles and responsibilities of the SCCC, CVB, and the City
- Ten years of revenue, expenses and net income
- Sources of revenue
- Detailed expense breakdown
- Fiscal health indicators

1.7 Based on the audit findings, the Council directed the City Manager to issue a 180-day notice to terminate the Convention Center Management Agreement, while simultaneously engaging in a competitive procurement process for the management and operation of the Convention Center and take necessary actions to stabilize its operations and to minimize further impact to public resources and assets.

1.8 The Chamber ceased operation of the CVB as of August 2018.

1.9 On September 18, the City Manager issued a termination notice for the Convention Center Management Agreement with the termination being effective on March 17, 2019.
1.10 Complete and up-to-date information regarding the above activities, including background documents, the final audit report, news/press releases, City Council actions, public meeting agenda reports, quarterly reports, and FAQs may be found at the link below.


2 PURPOSE OF THIS RFP

Select a qualified management company for Convention Center and Convention/Visitor Services (CVB services). Respondents may submit proposals for the management and oversight of the Convention Center and CVB services or the management of the Convention Center only. If a respondent wants to be considered for both tasks, then they must address in their proposal criteria specific to management of CVB services (Section 15.15). In addition, respondents must also indicate the services that they want to be considered for on Section 8 of the Proposer Certification form, Attachment A.

3 GOVERNANCE AND BUSINESS ENGAGEMENT

The City Council values its business community and has regularly communicated with them on its actions through the City Manager. A notice to the business community will be released during the latter part of the week of October 22 advising the business community of their opportunity to provide input on the Convention Center governance, role of the Convention Center relative to economic development and business support, desired community benefits, and any other important factors to consider when rating proposals. This provides a direct engagement between the City Council, staff, and the business community to convene in a workshop setting to provide formal input on the qualities and characteristics of the next Convention Center operator and Convention Visitors’ Bureau provider. The Santa Clara Convention Center Governance and Business Engagement Workshop will be held on November 15, 2018, from 5 p.m. to 8 p.m. at the Santa Clara Convention Center. The session will be livestreamed and potential proposers are invited to attend in person or view online. In addition to this workshop, the business community will be invited to provide input through an online survey and written responses via a postcard asking the same questions posed during the workshop. Input obtained through these methods will be provided to the review panel, City Council, and potential proposers to know first-hand the business community preferences/suggestions.

4 GENERAL INFORMATION

4.1 SCCC FACILITY

4.1.1 The Santa Clara Convention Center (SCCC) is located in the heart of Silicon Valley, adjacent to Levi Stadium – home of the San Francisco 49ers NFL Football Team, and California Great America Theme Park. The SCCC is also a short drive from the San Jose International Airport and only 32 miles from San Francisco International Airport. It is located in the golden triangle of academic and research institutions such as Santa Clara University, San Jose State University and Stanford University. It is ideally located within miles of the world’s top 500 fortune companies, venture capital and research centers such as Applied Materials, Intel, Avaya, EMC, Apple, Google, Facebook, and LinkedIn. The City of Santa Clara boasts over 3,800 hotel and lodging rooms alone which can support the Convention Center’s activities. With some of the most diverse cuisines in the City, visitors have hundreds of options for casual or fine dining.
4.1.2 The Convention Center is centrally located with easy access to four freeways and strategically situated close to some of the biggest entertainment centers in the Bay Area such as the Levi Stadium and California Great America Theme Park. SCCC is located in close proximity to the most successful regional shopping, dining and entertainment centers such as Westfield Valley Fair Shopping Center and Santana Row. SCCC is uniquely positioned well to market and book conventions, trade shows, corporate meetings, and special events.

4.1.3 The City of Santa Clara is expanding its entertainment and shopping footprint in Silicon Valley by developing the largest mixed-use urban development project west of the Mississippi. CityPlace Santa Clara is envisioned as an exceptional LEED-certified urban center, complete with Silicon Valley’s newest restaurants, world-class shopping, amenity-driven hotels, innovative office space, one-of-a-kind entertainment and fitness venues, and finely appointed residential units developed on over 240 acres. The 9.1 million square foot project is anticipated to include 5.4 million square feet of office, 1.1 million square feet of retail, 250,000 square feet of restaurant/entertainment, 1,680 units of luxury housing and more than 700 hotel rooms. CityPlace anticipated plans to start construction in 2019 will be the premier destination for world class shopping and globally-inspired dining. This development site is across the street and within walking distance to the Convention Center facility.

4.1.5 General information describing the Convention Center facility, scheduled events, and visitor information may be found at https://santaclaraconventioncenter.org/.

4.2 SANTA CLARA CONVENTION CENTER AND CONVENTION VISITORS BUREAU MANAGEMENT

4.2.1 The Santa Clara Chamber of Commerce & Convention-Visitors Bureau (Chamber) has historically offered many services and benefits in three principle clusters: Chamber services; CVB services and Convention Center services. The Chamber CEO and Chamber Board of Directors have provided oversight and policy direction for the management and delivery of these services.

4.2.2 The City of Santa Clara has provided annual funding to the Chamber for CVB operations for about two decades. The annual funding ceased on June 30, 2018 with the City not authorizing a new CVB contract for FY18/19.

4.2.3 There is currently no provider of CVB services for the City of Santa Clara. As of August 2018, the Chamber closed the CVB and discontinued providing general CVB services. Marketing of meetings and conventions within Santa Clara are currently being undertaken by SCCC staff for the Convention Center and marketing managers for individual hotel properties.

4.2.4 In 2005 a Tourism Improvement District (TID) was formed in Santa Clara. The TID collects $1/room night from nine participating hotels. The TID promotes convention and visitor activity. The Chamber acts as the fiscal agent for the TID. The TID is reevaluating its structure, governance model, fiscal agent relationship and designation, and assessment rate to determine how to leverage its role in tourism and hotel bookings related to Convention Center activity. During the course of this procurement process, it is very likely that the TID will present and take action to implement its new governance structure and bylaws and the City requires collaboration with the TID and synergistic relationships and leveraged partnership between the TID and the new operator.

5 STATEMENT OF REQUIREMENTS (SOR)

Please refer to Exhibit 1, Statement of Requirements, for a complete description of required services.

6 HOW TO OBTAIN THIS RFP

6.1 This RFP may be downloaded from the BidSync e-Procurement system located at www.bidsync.com. Respondents can also find a link at the City of Santa Clara website at www.santaclaraca.gov. At either website, follow the links to register for this online service. You may register for free either online or by calling BidSync Vendor Support at 1-801-765-9245 and telling the support representative that you are registering for City of Santa Clara RFP CMO-001.

6.2 All addenda and notices related to this procurement will be posted by the City on BidSync. In the event that this RFP is obtained through any means other than BidSync, the City will not be responsible for the completeness, accuracy, or timeliness of the final RFP document.
7  **MANDATORY PRE-PROPOSAL CONFERENCE**

7.1 There is a mandatory RFP pre-proposal conference scheduled for Friday, November 2, at 10:30 a.m. The conference will include a review of the RFP, a question and answer period with City staff, and a tour of the Convention Center facility.

7.2 Meeting location:

Santa Clara Convention Center  
5001 Great America Pkwy.  
Santa Clara, CA 95054

7.3 There will be a sign-in sheet at the conference and all attendees will be required to submit their name, company affiliation, and contact information. The City shall reject proposals(s) from any respondent that was not represented at the conference.

8  **RFP TIMELINE – KEY DATES**

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Phase 1 of the RFP Process</strong></td>
<td></td>
</tr>
<tr>
<td>RFP released on BidSync</td>
<td>October 17, 2018</td>
</tr>
<tr>
<td>Mandatory Pre-Proposal Conference (tour of the Convention Center)</td>
<td>November 2, 2018</td>
</tr>
<tr>
<td>Deadline for proposer questions</td>
<td>November 7, 2018</td>
</tr>
<tr>
<td>City responds to all proposer questions</td>
<td>November 14, 2018</td>
</tr>
<tr>
<td>Santa Clara Convention Center Governance and Business Engagement</td>
<td>November 15, 2018, 5 p.m. to 8 p.m. at the Santa Clara Convention Center. The workshop will be livestreamed (please refer to RFP Section 3)</td>
</tr>
<tr>
<td>Addendum of compiled online and postcard business community engagement responses issued</td>
<td>November 16, 2018</td>
</tr>
<tr>
<td><strong>Proposals Due</strong></td>
<td>December 3, 2018; 3 p.m.</td>
</tr>
<tr>
<td>Proposal evaluation</td>
<td>December 4, 2018 – December 18, 2018</td>
</tr>
<tr>
<td><strong>Phase 2 of the RFP Process</strong></td>
<td></td>
</tr>
<tr>
<td>Notify highest ranked proposers and Request Financial Proposals and extend invitation for Oral Presentations</td>
<td>December 20, 2018</td>
</tr>
<tr>
<td><strong>Financial Proposals Due</strong></td>
<td>January 4, 2019</td>
</tr>
<tr>
<td>Onsite Oral Presentations</td>
<td>January 7 – January 11, 2019</td>
</tr>
<tr>
<td>Event</td>
<td>Date</td>
</tr>
<tr>
<td>-------</td>
<td>------</td>
</tr>
<tr>
<td>Best and Final Offer (optional)</td>
<td>January 21 – January 28, 2019</td>
</tr>
<tr>
<td>Evaluate and score Best and Final Responses (optional)</td>
<td>January 29 – February 1, 2019</td>
</tr>
<tr>
<td>City issues Notice of Intended Award</td>
<td>February 4, 2019</td>
</tr>
<tr>
<td>10-day protest period starts</td>
<td>February 4, 2019</td>
</tr>
<tr>
<td>Initiate contract negotiations</td>
<td>mid- to late February</td>
</tr>
<tr>
<td>Council Contract Approval</td>
<td>March 5, 2019</td>
</tr>
</tbody>
</table>

9 **RFP DOCUMENTS**

| ATTACHMENT A | PROPOSAL CERTIFICATION |
| ATTACHMENT B | STATEMENT OF QUALIFICATIONS |
| EXHIBIT 1 | STATEMENT OF REQUIREMENTS |
| EXHIBIT 2 | PROCUREMENT AND CONTRACT PROCESS INTTEGRITY AND CONFLICT OF INTEREST |

10 **LATE PROPOSALS**

Late proposals shall be rejected and returned to the Proposer. This deadline is absolute and proposals received after the due date and time shall not be considered. Proposers must select a method of delivery that ensures proposals will be delivered to the correct location by the due date and time.

11 **TERM OF AGREEMENT**

The initial term of the Agreement shall be for five years, with two, five-year options to renew at the sole discretion of the City.

12 **PROCEDURE FOR SUBMITTING QUESTIONS AND INQUIRIES**

Questions pertaining to this RFP should be submitted via the BidSync System. Please submit all questions by the deadline indicated in the procurement timeline, Section 8. The City will provide a written response to all pertinent questions in the form of an Addendum. Questions answered on BidSync shall be considered addenda to the RFP.

13 **OBJECTIONS**

Any objections as to the structure, content or distribution of this RFP must be submitted in writing to the Purchasing contact prior to the submission deadline for Questions and Answers.
Objections must be as specific as possible, and identify the RFP section number and title, as well as a description and rationale for the objection.

14 **PURCHASING CONTACT**
Mark Giovannetti, Purchasing Manager
mgiovannetti@santaclaraca.gov

15 **PROPOSAL SUBMITTAL REQUIREMENTS**

15.1 **GENERAL**

15.1.1 Proposers must respond to this RFP by the due date and time listed in RFP Section 8, “Procurement Timeline – Key Dates.” Proposals must be addressed and labeled as follows:

Mark Giovannetti, Purchasing Manager
City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

RFP CMO-001, Management and Operation of the Santa Clara Convention Center and Convention/Visitor Services

If delivering in person, follow the signage to the Purchasing Division which is located in the West Wing of City Hall, downstairs, next to Human Resources.

15.1.2 Proposers are to provide a thorough submittal using the guidelines presented herein. Submittals should be prepared simply and economically, providing a straightforward, concise description of the Proposer’s ability to meet the requirements of the RFP. Submittals should provide “layman” explanations of technical terms that are used. Submittals that appear unrealistic in the terms of technical commitments, lack of technical competence or are indicative of failure to comprehend the complexity and risk of this contract may be rejected.

15.1.3 Number of Copies: Submit one original, one electronic version on a USB drive, and eight copies of your proposal.

15.2 **FORMATTING**

The Proposal must be in Times New Roman, Arial or some similar, easily readable font. The size of the font cannot be any smaller than 11 and margins should be 1 inch or wider. Hardcopy proposals should be in a binder and tabbed.

15.3 **PROPOSAL CONTENT**

Emphasis should be on conforming to the RFP instructions, responding to the RFP requirements and the completeness and clarity of content. The guidelines in this section provide an outline of the information to be included in the submittal. This outline is not all-inclusive and Proposers may add information as deemed appropriate.

15.4 **ATTACHMENT A – PROPOSAL CERTIFICATION FORM**

Please complete, sign and submit this form with your proposal.

15.5 **ATTACHMENT B – PROPOSER QUALIFICATIONS**

Please complete this form and submit with your proposal.
15.6 BACKGROUN AND PROJECT SUMMARY
The Background and Project Summary Section should describe the Proposer's understanding of the scope of management work to be done, and the types of creative initiatives that the Proposer may take to meet the goals and objectives for contract management set forth in this RFP.

15.7 PROPOSER QUALIFICATIONS
Summarize the Proposer’s experience and number of years in managing convention centers, including a list of current and former clients. Include references for selected facilities managed by the Proposer, including name, address, e-mail and telephone numbers of key individuals who may be contacted. Also, include the listing and size of other facilities/centers the Proposer has managed.

15.8 CORPORATE MANAGEMENT QUALIFICATIONS
Please detail the experience and qualifications of the Proposer's corporate management team and include resumes outlining the experience, education, and performance record of individuals who will have supervisory responsibility over the SCCC.

15.9 MANAGEMENT AND OPERATIONS PLAN FOR SCCC

15.9.1 Based on your review of the background materials and reference information provided in this RFP, as well as the insight gained during the Proposer’s site visit at the mandatory Pre-Proposal Conference and other research particular to SCCC operations, provide detailed descriptions of the approaches, initiatives, policy changes and other efforts that your firm would take with respect to the items described below. In responding to these items, Proposers are expected to provide information particular to the SCCC, avoiding significant "boilerplate" information.

- Provide a description of the Proposer’s overall philosophy and approach to the management and operation of the SCCC.
- Provide a proposed initial Operational Budget, Staffing Plan, and Organizational Chart for the operation of the SCCC and CVB. Proposers advancing to Phase 2 will be requested to provide detailed plans/budgets as well as describe the assumptions, strategies and approaches of operating in the Santa Clara market.
- Summarize the specific initiatives you would consider to optimize SCCC while containing and managing costs more effectively, specifically event and fixed operating expenses.
- Summarize the specific initiatives you would consider to increase SCCC revenues and overall economic impact to the City of Santa Clara.
- Describe the operating policies and procedures related to customer service, repair and maintenance, security and other primary building functions. Please provide a response in the form of how an SOP (Standard Operating Procedures manual) would be developed to ensure consistent high level of service throughout the operation including key vendors and suppliers.
- Describe your approach to ensuring that all vendors and suppliers deliver the highest level of service. This includes but is not limited to food/beverage vendors, audio/visual providers, decorators and internet providers.
• Identify the specific type, timing and breadth of recurring financial reporting that you would expect to provide the City. Provide examples of various types of report/audit documents.

• Describe your approach and detail employee management, compensation, and administrative policies and procedures.

• Describe your event management and accounting systems and provide sample records illustrating the capabilities of your system (include sample reports).

• Describe your approach to Cash Flow Management, and means of protecting against fraud and waste.

• Identify any different approaches you may consider in the way that goods or services are delivered at SCCC, based on a review of existing SCCC management contract.

• Describe how you would create and provide examples of how you have created reports that provide data-driven reporting of performance using key performance indicators.

• Provide any other information which would be useful in evaluating your proposal.

15.10 MARKETING PLAN/SALES PLAN OVERVIEW

Provide a summary of components of a marketing plan that you would consider for use at the SCCC. Discuss elements that address Proposer’s approach to the unique conditions with respect to the SCCC, including a discussion of the unique demographics of the Santa Clara market, and conduct research to determine what its market can generally support in terms of near term and/or longer term citywide and other conventions. Explain how you would coordinate marketing plan efforts with a new CVB, Santa Clara hotels, Levi’s Stadium, and other local stakeholders.

15.11 TRANSITION PLAN OVERVIEW

15.11.1 The Proposer must submit an overview of key elements of a transition plan, including the process and timing for transitioning SCCC personnel and financial systems. Recommendations as to the timing of the transition process should include a date for complete hand over of SCCC operations to the successful Proposer. Responses should be specific to the conditions surrounding the SCCC, and not be generic in nature.

15.11.2 The information pertaining to the proposed transition plan should, at a minimum, include the following:

• The process and timing for interviewing SCCC employees.

• A plan to incorporate the City’s Worker Retention Ordinance and a description of the benefits package that will be offered to SCCC employees. The complete Worker Retention Ordinance may be found at: http://santaclaraca.gov/government/departments/city-manager/worker-retention.

• The process and timing for review of existing vendor contracts.

• The process and timing for inventorying existing SCCC assets.

• The process and timing for converting the financial reporting and other systems.

• Review of sales and marketing efforts and development of a marketing plan.
• The time frame for execution of the overall transition plan (including specific reference to key operational departments/functions such as human resource, sales/marketing, information technology, event service, maintenance, etc.)

15.12 PROFESSIONAL RESUMES FOR KEY PERSONNEL
Proposer must submit professional resumes for its key personnel proposed to be assigned to the SCCC and Bureau of Tourism operations. Resumes should be provided at a minimum for the General Manager, Director of Operations, Director of Finance, and Director for the Bureau of Tourism. The position titles used herein are for example only and are not intended to define or describe an organizational structure. The proposal must adequately describe each proposed professional’s qualifications, experience, and assigned function.

15.13 PREVENTIVE MAINTENANCE PROGRAM
The Proposer shall summarize their approach to Preventive Maintenance Programs for the proposed term of the Agreement. Please provide examples of this program that are in effect at comparable facilities managed by Proposer. Include in the program Proposer’s methods for assuring that all maintenance work is scheduled, completed, documented, and performed in a manner that is consistent with generally accepted standards for building maintenance.

15.14 SUBCONTRACTOR INFORMATION AND QUALIFICATIONS
The successful Proposer may elect to subcontract some portions of the services to be performed. Wherever the Proposer intends to subcontract certain services, the specific service, roles and responsibilities must be identified in this section of the submittal.

15.15 EXPERIENCE WITH WORKING CONVENTION VISITOR BUREAU SERVICES
Note: Complete this section if you are only submitting a proposal for SCCC Management operations.

15.15.1 Provide a brief description of the Proposer’s experience in working with CVBs, including detail as to programs that emphasize coordination in achieving financial, room night and economic impact goals, and that distinguish the Proposer’s ability to work in conjunction with these organizations.

15.15.2 Please include any additional experience, and Proposer and management qualifications that are in addition to SCCC the information provided in your Convention Center Management response.

15.15.3 Provide a brief description of how the Proposer’s experience and submittal responds to the input and articulated goals expressed at the aforementioned Santa Clara Convention Center Governance and Business Engagement Workshop, and describe how your proposed solution will be responsive to the feedback and input from our business community.

15.15.4 Please include any additional experience, and Proposer and management qualifications not covered in your Convention Center Management response.

15.16 EXPERIENCE WITH MANAGING CONVENTION VISITORS BUREAU SERVICES
Note: Complete this section if you are submitting a proposal for combined SCCC and CVB Management operations.

15.16.1 Provide a brief description of the Proposer’s experience managing a local CVB working with regional stakeholders.

15.16.2 Provide a Sales and Marketing Plan Overview
15.16.3 In addition to the marketing plan submitted per this RFP, explain how you would coordinate marketing plan efforts with Levi's Stadium Management and Santa Clara hotels and regional venues.

15.16.4 Provide a brief description of how the Proposer’s experience and submittal responds to the input and articulated goals expressed at the aforementioned Santa Clara Convention Center Governance and Business Engagement Workshop, and describe how your proposed solution will be responsive to the feedback and input from our business community.

15.16.5 Outline the qualitative and quantitative synergies the City would gain through a combined contract for managing the SCCC and CVB services.

15.16.6 Describe governance structure(s) that you have worked with the management of combined CVB and SCCC operations.

15.16.7 Please include any additional experience, and Proposer and management qualifications not covered in your Convention Center Management response.

16  SELECTION PROCESS AND EVALUATION CRITERIA

16.1  PHASE 1

16.1.1 There will be a two-phase evaluation and selection process. In Phase 1, the City will evaluate all responsive proposals per the evaluation criteria and weights listed below. The highest scoring proposals for the combined SCCC/CVB Management and SCCC Management only will be invited to advance and participate in Phase 2.

16.2  PHASE 2

16.2.1 In Phase 2, Proposers will be asked to submit a financial proposal as well as participate in oral interview/presentations. The format and date of the presentation will be established at the time of short listing.

16.3  EVALUATION CRITERIA

<table>
<thead>
<tr>
<th>Description</th>
<th>Weight</th>
<th>Phase 1</th>
<th>Phase 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of proposal</td>
<td>5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experience of firm</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expertise of team assigned to project</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical / Project Approach</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value added products/capabilities</td>
<td>20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Proposal incl. Management Fee, Capital Investments, and City Subsidy, if any</td>
<td>50%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oral Presentations</td>
<td></td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>
17 BEST AND FINAL OFFER (BAFO)

17.1 A Best and Final Offer (BAFO) may be held with one or more Phase 2 participants if final information or clarification is necessary in order to make a final decision. The BAFO may allow Proposers to revise their technical and/or financial proposals based on information received from the City. The City will send out the request for a BAFO with instructions addressing the areas to be covered and the date and time in which the BAFO is to be submitted. After receipt of the BAFO, scores may be adjusted based on the new information received in the BAFO.

17.2 The City will request only one BAFO, unless the City’s Purchasing Manager determines in writing in the procurement file that another BAFO is warranted.

17.3 Proposers are cautioned that the BAFO is optional and at the sole discretion of the City. Therefore, Proposers should not assume that there would be an additional opportunity to amend their proposal after the original submission. Proposers may not request an opportunity to submit a BAFO.

18 BASIS OF AWARD

18.1 In its sole discretion, the City shall determine whether it is more advantageous to recommend a combined SCCC/CVB management solution or SCCC management only. Recommendation for award of contract shall then be made to the Proposer earning the highest Phase 2 score for the selected category (SCCC/CVB or SCCC only).

18.2 Should the City, in its sole discretion, determine that a secondary award is required, award will be to the second highest ranked Proposer.

18.3 Should a selected Proposer fail to provide post award documents as required by the City, the City, in its sole discretion, may withdraw the award recommendation, and select the next highest ranked Proposer for award.

18.4 The City reserves the right to accept an offer in-full, or in-part, or to reject all offers.

19 PROTESTS

If an unsuccessful Proposer wants to dispute the award recommendation, the Protest must be submitted in writing to the contact listed below no later than 10 calendar days after announcement of the successful Proposer, detailing the grounds, factual basis and providing all supporting information. Protests will not be considered for disputes of proposal requirements and specifications, which must be addressed in accordance with Section 13. Failure to submit a timely written Protest as instructed will bar consideration of the Protest. The address for submitting Protests is:

Ms. Linh Lam, Assistant Director of Finance/City Auditor
City of Santa Clara
1500 Warburton Ave.
Santa Clara, CA 95050
20 **COLLUSION**

20.1 By submitting a proposal, each Proposer represents and warrants that its proposal is genuine and made in the interest of or on behalf of any person not named therein; that the Proposer has not directly induced or solicited any other person to submit a sham proposal or any other person to refrain from submitting a proposal; and that the Proposer has not in any manner sought collusion to secure any improper advantage over any other person submitting a proposal.

21 **GROUNDS FOR DISQUALIFICATION**

21.1 All Proposers are expected to have read and understand Exhibit 2, Procurement and Contract Process Integrity and Conflict of Interest. Factors such as, but not limited to, any of the following, may disqualify a proposal without further consideration:

21.1.1 Evidence of collusion, directly or indirectly, among Proposers in regard to the amount, terms or conditions of this proposal.

21.1.2 Any attempt to improperly influence any member of the evaluation team.

21.1.3 Existence of any lawsuit, unresolved contractual claim or dispute between Proposer and the City.

21.1.4 Evidence of incorrect information submitted as part of the proposal.

21.1.5 Evidence of Proposer’s inability to successfully complete the responsibilities and obligations of the proposal.

21.1.6 Proposer’s default under any previous agreement with the City.

22 **NON-CONFORMING PROPOSAL**

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

23 **GRATUITIES**

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

24 **GENERAL INFORMATION**

24.1 Phase 2 finalists will be informed of the City’s insurance requirements that the successful Proposer will be required to maintain for the term of the agreement, as well as the City’s business and legal Terms and Conditions that the successful Proposer will be required to agree to.

24.2 All costs associated with responding to this request are to be borne by the Proposer.
24.3 It is the City’s policy that the selected firm shall not discriminate, in any way, against any person on the basis of race, sex, color, religion, religious creed, national origin, ancestry, age, gender, marital status, physical disability, mental disability, medical condition, genetic information, sexual orientation, gender expression, gender identity, military and veteran status, or ethnic background, in violation of federal, state or local law, in connection with or related to the performance of City of Santa Clara contracts.

25 RIGHTS OF THE CITY OF SANTA CLARA

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

25.1.1 City reserves the right to accept an offer in full, or in part, or to reject all offers;

25.1.2 Make the selection based on its sole discretion;

25.1.3 Reject any and all proposals;

25.1.4 Issue subsequent Requests for Proposals;

25.1.5 Postpone opening proposals for its own convenience;

25.1.6 Remedy errors in the Request for Proposals process;

25.1.7 Approve or disapprove the use of particular subcontractors or subconsultants;

25.1.8 Negotiate with any, all or none of the Proposers;

25.1.9 Accept other than the most advantageous financial offer;

25.1.10 Waive informalities and irregularities in the Proposals; and/or

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

25.2 An agreement shall not be binding or valid with the City unless and until it is approved by the City Council, if so required, and executed by authorized representatives of the City and of the Proposer.

26 PUBLIC NATURE OF PROPOSAL MATERIAL

26.1 Responses to this RFP become the exclusive property of the City of Santa Clara. At such time as the City awards a contract, all proposals received in response to this RFP become a matter of public record and shall be regarded as public records, with the exception of those elements in each proposal which are defined by the Proposer as business or trade secrets and plainly marked as “Confidential,” “Trade Secret,” or “Proprietary.” The City shall not in any way be liable or responsible for the disclosure of any such proposal or portions thereof, if they are not plainly marked as “Confidential,” “Trade Secret,” or “Proprietary,” or if disclosure, in the City’s sole discretion, is required under the California Public Records Act as addressed below. Any proposal which contains language purporting to render all or significant portions of the proposal “Confidential,” “Trade Secret,” or “Proprietary” shall be regarded as non-responsive.
26.2 Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the City of Santa Clara may determine, in its sole discretion, that the information that a Proposer submits is not a trade secret. If a request is made for information marked “Confidential,” “Trade Secret,” or “Proprietary,” the City shall provide the Proposer who submitted the information reasonable notice to allow the Proposer to seek protection from disclosure by a court of competent jurisdiction, at the Proposer's sole expense. If Proposer takes no such action after receiving the foregoing notice from the City, the City shall comply with the records request and is not required to defend against it.

27 ATTACHMENT A – PROPOSER CERTIFICATION

28 ATTACHMENT B – STATEMENT OF QUALIFICATIONS

29 EXHIBIT 1 – STATEMENT OF REQUIREMENTS

30 EXHIBIT 2 – PROCESS INTEGRITY GUIDELINES
ATTACHMENT A

Proposal Certification

<table>
<thead>
<tr>
<th>Proposing Firm Name:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td></td>
</tr>
<tr>
<td>Telephone:</td>
<td></td>
</tr>
<tr>
<td>Facsimile:</td>
<td></td>
</tr>
<tr>
<td>E-mail:</td>
<td></td>
</tr>
<tr>
<td>Contact person name and title:</td>
<td></td>
</tr>
</tbody>
</table>

**PROPOSER REPRESENTATIONS**

1. Proposer did not, in any way, collude, conspire or agree, directly or indirectly, with any person, firm, corporation or other Proposer in regard to the amount, terms, or conditions of this proposal.

2. Proposer additionally certifies that neither Proposer nor its principals are presently disbarred, suspended, proposed for disbarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency, any California State agency, or any local governmental agency.

3. Proposer acknowledges that all requests for deviations, exceptions, and approved equals are enclosed herein and that only those deviations, exceptions, and approved equals included in the RFP document or permitted by formal addenda are accepted by the City.

4. Proposer did not receive unauthorized information from any City staff member or City Consultant during the Proposal period except as provided for in the Request for Proposals package, formal addenda issued by the City, or the pre-proposal conference.

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

6. Proposer hereby certifies that the information contained in the proposal and all accompanying documents is true and correct.
7. Please check the appropriate box below:

☐ If the proposal is submitted by an individual, it shall be signed by him or her, and if he or she is doing business under a fictitious name, the proposal shall so state.

☐ If the proposal is submitted by a partnership, the full names and addresses of all members and the address of the partnership, the full names and addresses of all members and the addresses of the partnership, the full names and addresses of all members and the address of the partnership shall be stated and the proposal shall be signed for all members by one or more members thereof.

☐ If the proposal is submitted by a corporation, it shall be signed in the corporate name by an authorized officer or officers.

☐ If the proposal is submitted by a limited liability company, it shall be signed in the corporate name by an authorized officer or officers.

☐ If the proposal is submitted by a joint venture, the full names and addresses of all members of the joint venture shall be stated and it shall be signed by each individual.

8. Please check the appropriate box below:

☐ This proposal is being submitted for consideration for both Convention Center (SCCC) and Convention Visitors Services (CVS) management operations. However, if the City decides in its sole discretion to award a contract for SCCC management only, then proposer would like to be considered for SCCC management only.

☐ This proposal is being submitted for consideration for both Convention Center (SCCC) and Convention Visitors Services (CVS) management operations. Proposer is not interested in being considered for SCCC management only.

☐ This proposal is being submitted for consideration for Convention Center (SCCC) management operations only.
By signing below, the submission of a proposal with all accompanying documents shall be deemed a representation and certification by the Proposer that they have investigated all aspects of the RFP, that they are aware of the applicable facts pertaining to the RFP process, its procedures and requirements, and that they have read and understand the RFP.

<table>
<thead>
<tr>
<th>Authorized Representative Name (sign name):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Representative Signature (print name):</td>
<td></td>
</tr>
<tr>
<td>Authorized Representative Title (print title):</td>
<td></td>
</tr>
</tbody>
</table>

**Complete additional signatures below as required per # 6 above**

<table>
<thead>
<tr>
<th>Authorized Representative Name (sign name):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Representative Signature (print name):</td>
<td></td>
</tr>
<tr>
<td>Authorized Representative Title (print title):</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Authorized Representative Name (sign name):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorized Representative Signature (print name):</td>
<td></td>
</tr>
<tr>
<td>Authorized Representative Title (print title):</td>
<td></td>
</tr>
</tbody>
</table>
STATEMENT OF QUALIFICATIONS

Name of Project: MANAGEMENT and OPERATION of the SANTA CLARA CONVENTION CENTER and CONVENTION/VISITOR SERVICES

RFP Number: CMO-001

Proposer Name: ________________________________

Proposer must furnish all of the following information relative to its ability experience, and resources available for the fulfillment of the Contract. If additional space is required in order to complete an explanation or provide the required information, then please add as necessary.

1. The number of consecutive years that Proposer has been engaged in the business under the present firm name ________________.
   
   Number of consecutive years at this location: __________.
   
   Date when business was organized ________________.

2. List all pertinent organizations and associations of which Proposer is currently a member:

   ____________________________________________________________________
   
   ____________________________________________________________________
   
   ____________________________________________________________________
   
   ____________________________________________________________________

3. Provide the overall ratio of managers to personnel proposed for the management of the Convention Center: ________________

4. List below five (5) trade references:

   A. Company Name: ________________________________
   
   Contact: ________________________________
   
   Title: ________________________________
   
   Address: ________________________________
   
   Telephone Email address: ________________________________
   
   Length of Relationship: ________________________________
B. Company Name:___________________________________________________________
Contact:__________________________
Title: ______________________________
Address: ___________________________
Telephone Email address: ________________
Length of Relationship: _______________________

C. Company Name:___________________________________________________________
Contact:__________________________
Title: ______________________________
Address: ___________________________
Telephone Email address: ________________
Length of Relationship: _______________________

D. Company Name:___________________________________________________________
Contact:__________________________
Title: ______________________________
Address: ___________________________
Telephone Email address: ________________
Length of Relationship: _______________________

E. Company Name:___________________________________________________________
Contact:__________________________
Title: ______________________________
Address: ___________________________
Telephone Email address: ________________
Length of Relationship: _______________________
5. Identify up to five union contracts to which you are a signatory.

A. ________________________________
B. ________________________________
C. ________________________________
D. ________________________________
E. ________________________________

6. Has Proposer ever refused to sign a contract? (circle one) Y  N

   If “yes” please provide details.

7. Has Proposer ever been terminated for cause? circle one) Y  N

   If “yes”, please provide details.

8. Has Proposer ever defaulted on a contract? circle one) Y  N

   If “yes”, provide details.

9. Has Proposer or any related or affiliated entity ever been adjudged bankrupt, been subject to a receivership or an order of reorganization, or other similar action involving the rights of creditors against vendors? (circle one) Y  N

   If “yes”, provide details.

10. Is Proposer or any related or affiliated entity at this time subject to any court order relating to bankruptcy, receivership, liquidation, reorganization, or similar relief? (circle one) Y  N

    If “yes”, provide details.

11. Please detail any criminal or civil investigation or pertinent litigation pending or that has concluded within the last three (3) years against Proposer’s organization or individuals within the organization.
12. Has Proposer ever forfeited a performance bond? (circle one) Y  N

If “yes”, provide details.

13. Identify below the Proposer's contact person for purposes of responding to any questions the City have:

Contact Name: ________________________________________________

Title: ________________________________________________________

Address: _____________________________________________________

Telephone and Email address: ________________________________
EXHIBIT 1 – STATEMENT OF REQUIREMENTS

1 GOALS AND OBJECTIVES — SCCC

1.1 Operate a first-class, high-quality, state-of-the-art convention center that is competitive in the industry and exceeds the needs of conventions, consumer shows, meetings, entertainment, and community events.

1.2 Identify and implement initiatives to support the City of Santa Clara’s priorities as it relates to SCCC’s fiscal results, generating economic impact and positively impacting the local community while 1) ensuring that the SCCC remains competitive with other convention venues in both pricing and service levels, and 2) attracting and retaining conventions, trade shows, sporting events and other meetings to the SCCC.

1.3 Provide superior and unique services to users of the SCCC and patrons and visitors attending events at the SCCC, thereby maximizing customer satisfaction as exhibited by an independently administered survey of meeting planners and attendees and an overall favorable perception nationally.

1.4 Develop a local, regional and national sales and marketing strategy in collaboration with the CVB to penetrate new markets, attract new events and promote the SCCC to enhance usage of the SCCC and increase hotel occupancy.

1.5 Generate economic impact to the City and region (via the accommodation of citywide conventions, conferences and meetings) and overall optimization of the facility, while managing the SCCC with the most advantageous fiscal approach. Creative and experienced approaches in striking this critical balance based on City priorities are very important.

1.6 Properly maintain and safeguard the City’s capital investment in the SCCC through the exercise of the highest standards of maintenance and preservation and, recommend strategic capital improvements.

1.7 Achieve all objectives in a professional manner, consistent with best industry practices and all applicable laws and ordinances.

1.8 Work with the City to create master plans for future SCCC and hospitality development needs including renovation and expansion plans, if so desired by the City.

1.9 Coordinate and collaborate on all advertising, licensing, promotional activities, marketing, and public relations for the SCCC in coordination with relevant stakeholders (e.g.: separate CVB, if applicable, Levi’s Stadium, local hotels).

1.10 Work cooperatively with stakeholders in attracting events to the SCCC.

1.11 Develop a SOP (Standard Operating Procedures) manual that details all aspect of the SCCC operations and identifies how the operator is going to create best in class service levels.

2 GOALS AND OBJECTIVES – CONVENTION/VISITOR SERVICES (CVB)

Note: Only applicable for a proposal for combined SCCC and CVB Management operations
2.1 Advertise, market, and promote meetings and conventions to the City through cooperative sales and marketing activities with local hoteliers, other Santa Clara attractions and venues, and other related industries for the purpose of securing business in the City including, but not limited to the SCCC, Levi’s Stadium, Great America and Santa Clara hotels.

2.2 Conduct credible research to identify target meetings and convention markets, brand positioning, and related destination marketing initiatives for the City.

2.3 Develop and implement the research-based marketing plan for the City focusing on meeting and convention planners in selected target markets.

2.4 Develop key metrics that are designed to report on performance; both positive and negative results for all sales and marketing efforts.

2.5 Provide public relations and promotional support for special events as required by the City.

2.6 Work collaboratively with other tourism agencies in the region to maximize the impact of all marketing resources.

2.7 Work cooperatively with Levi’s Stadium management company, Great America, and other venues to secure events for these venues.

2.8 Develop a complete staffing plan with market delineations and proposed goals for future bookings and consumed events at SCCC for the first five years. Develop a plan for a sales environment that rewards exceptional performance and objectively monitors and acts on non-performance.

2.9 Develop a strategic booking policy that is reflective of the priorities established by the City of Santa Clara and addresses applicable audit recommendations.

2.10 Develop and approach for how to maximize the resources that are collected by the TID in securing business and enhancing the marketing efforts.

3 MANAGEMENT CONTRACT (KEY AREAS OF FOCUS)

3.1 SCCC MANAGEMENT AND OPERATIONS

3.1.1 The successful Proposer shall manage and operate the SCCC in accordance with policies approved by the City. The successful Proposer shall be responsible for all day-to-day functions and operations of the SCCC and shall operate the SCCC at all times in the public interest and in accordance with the highest professional and ethical standards.

3.1.2 The successful Proposer shall prepare and submit annual budgets for the SCCC’s operation. The Proposer shall also maintain a system of internal controls to provide reasonable assurance that the SCCC’s resources are used in an effective and efficient manner. The Proposer shall keep full and accurate accounting records relating to its activities at the SCCC, in accordance with generally accepted accounting principles.
3.1.3 The successful Proposer shall report and provide regular reports to the City Manager or representative. The City shall make periodic inspections of the SCCC and equipment to determine that they are being maintained in a neat and orderly condition. The Proposer will be required to make any improvements in cleaning or maintenance methods.

3.1.4 It is the intention of the City that service is of the highest quality attainable. The selected proposer will maintain the standard of operations, quality of service, maintenance and physical appearance of the SCCC as a first-class convention and exhibition center. All areas of the SCCC are to be kept clean, orderly, attractive, and sanitary at all times and in strict accordance with the applicable laws, ordinances, rules, and regulations as well as the standards of the City.

3.1.5 The successful Proposer shall constantly endeavor to improve the operation of the SCCC with a view toward developing the most efficient and highest quality of service to the customers, minimizing operating costs, increasing the quality of maintenance and security, and maximizing gross receipts without negatively impacting exhibitor or show manager costs.

3.1.6 The successful Proposer shall be responsible for negotiating all rental rates, fees, and charges for services provided throughout the SCCC, and for executing and performing all contracts, use agreements, licenses, and other agreements.

3.1.7 The Proposer shall establish an effective system of communication that encourages linkages and collaborative efforts between the SCCC, the CVB, and other segments of the hospitality industry and local venues.

3.1.8 The successful Proposer shall negotiate and execute all agreements for use of SCCC space for events.

3.1.9 The successful Proposer shall thoroughly train and closely supervise all employees so that they are aware of and habitually practice high standards of cleanliness, courtesy, and service, ethics, conflict of interest, and principles of good governance.

3.1.10 The successful Proposer shall subject its employees to drug testing and criminal background checks. Employees shall at all times maintain a professional appearance.

3.1.11 The successful Proposer shall not employ any person who does not conduct him or herself in a business like and professional manner and shall promptly take appropriate disciplinary action against employees who do not meet this standard, up to and including termination. Any employee so terminated shall not be re-employed at the SCCC without the written consent of the City.
3.1.12 The successful Proposer shall comply with the City’s Worker Retention Ordinance that requires that any City of Santa Clara business with more than 25 employees and/or any entertainment/convention venue with a capacity of 8,000 or more is subject to provisions of the Worker Retention Ordinance. The Ordinance requires applicable businesses who are considering changing contractors that provide food service, building service and/or security service, to require a new contractor to retain the existing employees for a period of 90 days. During the transition, if at any time during the first 90 days the successor contractor determines that fewer employees are required, the successor contractor shall retain employees based on seniority only. The complete Worker Retention Ordinance may be found at: http://santaclaraca.gov/government/departments/city-manager/worker-retention

3.2 SCCC GENERAL MANAGER

3.2.1 The SCCC shall be operated by a competent, successful general manager capable of, and empowered to operate the SCCC and to be responsive to the desires and directives of the City in the areas of contract enforcement, scheduling, personnel relations and any and all other matters pertinent to the operation and management of the SCCC. It is expressly understood that the general manager of the SCCC will be located on-site.

3.3 MAINTENANCE AND REPAIR

3.3.1 The successful Proposer shall be responsible for all preventative maintenance and maintenance and repair of the SCCC. The interior, exterior, and infrastructure of the physical facility and grounds will be maintained by the successful Proposer, including non-capital repairs and maintenance. The successful Proposer shall also be responsible for informing the City of degraded conditions, and for preparing annual Capital Improvement Program project lists with recommended capital budget for consideration by the City. The Proposer is further responsible for taking all actions necessary to maintain the validity of all warranties and for ensuring that repairs to any part of the SCCC or FF&E which is under warranty is accomplished under the warranty.

3.3.2 The successful Proposer shall maintain a neat and orderly operation at all times, and shall be responsible for, or shall oversee vendor contracts. The successful Proposer shall make available all areas of the SCCC under its control for examination at any time by the City or an authorized representative.

3.3.3 The successful Proposer shall replace, at its own expense, any FF&E provided under the Agreement that has been destroyed or damaged with like equipment.

3.4 CVB MANAGEMENT AND OPERATIONS

3.4.1 The successful Proposer will manage the CVB in a manner that maximizes the destination and brand awareness, social media response metrics, and visitation levels.
3.4.2 The successful Proposer will conduct credible research to identify target meetings and convention markets, brand position, messaging and related destination marketing initiatives. They will develop and implement the research-based marketing plan for the destination focusing on leisure travelers in selected target markets. The effectiveness of key elements of the marketing plan will be measured, and supportable adjustments to future efforts will be made.

3.4.3 The successful Proposer will establish and maintain a positive relationship with small/medium/large hoteliers, vacation rentals, tourism, restaurateurs, significant attraction venues, and other similar groups.

3.4.4 The successful Proposer will maintain and promote the City’s brand-name status through press, the travel industry, and marketing efforts. They will also continue to support local commercial businesses catering to the tourism industry through marketing and public relations programs.
EXHIBIT 2

PROCUREMENT AND CONTRACT PROCESS INTEGRITY AND CONFLICT OF INTEREST GUIDELINES

1 PURPOSE

1.1 The purpose of these Guidelines is to ensure integrity in the City’s procurement and contract processes, to educate City employees, consultants, uncompensated outside parties and any person involved in the decision to award a contract about potential Conflicts of Interest, and to establish guidelines for procedural screening of Conflicts of Interest.

1.2 The City desires to provide a fair opportunity to participants in competitive processes for the award of City contracts by promulgating integrity and removal of Conflicts of Interest in all competitive solicitations.

2 DEFINITIONS

2.1 PURCHASING MANAGER

“Purchasing Manager” is the City employee designated by the City Manager to be responsible for the City’s procurement process.

2.2 ELECTED OFFICIAL

“Elected Official” means the Mayor, Council Members, City Clerk, and Chief of Police

2.3 COUNCIL APPOINTEES

“Council Appointees” means the City Manager, City Attorney, and City Auditor

2.4 SOLICITATION

“Solicitation” means, but is not limited to, specification development, preparation and issuance of requests for proposals, quotes, qualifications or bids, evaluation of responses and submissions, and other evaluations which lead to an award of a City contract.

3 GENERAL PROVISIONS

3.1 COMMUNICATION PROTOCOL

3.1.1 Prior to Issuance of Solicitations: Prior to the issuance of Solicitations, contact between prospective respondents and City staff, elected officials or consultants is permissible.
3.1.2 After Issuance of Solicitations and prior to Submission deadline for Solicitations: After issuance of Solicitations, all contact between prospective respondents and the City must be directed to the procurement contact designated in the Solicitation. City staff, elected officials and consultants will refer all inquiries to the procurement contact. All requests for clarification, objections to the structure, content, or distribution of a Solicitation, or other inquiries must be made in writing and the City shall answer to these clarifications, objections, and inquiries in writing via addenda to the Solicitation.

3.1.3 After Submission Deadline of Solicitations and prior to Issuance of a Notice of Intended Award: After the submission deadline of Solicitations, all contact regarding the procurement between respondents and the City and participants in the evaluation process, who are not City employees, must be directed to the procurement contact designated in the Solicitation. City staff, elected officials and consultants will refer all inquiries to the procurement contact.

3.1.4 After Issuance of a Notice of Intended Award: The City will issue a notice of intended award to all respondents including the basis for selection and instructions for filing a protest. All respondents shall follow the procedures for protest as indicated in the Solicitation document. During the protest period, City staff, elected officials and consultants will refer all inquiries to the protest hearing officer identified in the Solicitation document.

3.1.5 After Completion of Protest Period: After completion of the protest period contact between prospective respondents and City staff, elected officials, or consultants is permissible.

4  RESPONDENT’S CODE OF CONDUCT

By submitting a response to a City Solicitation, respondents are individually and solely responsible for ensuring compliance with these Guidelines on behalf of the respondent’s employees, agents, consultants, lobbyists, or other parties or individuals engaged for purposes of developing or supporting a response. In addition to adhering to these Guidelines, respondents may not collude, directly or indirectly among themselves in regard to the amount, terms or conditions of a Solicitation; influence any City staff member or evaluation team member throughout the solicitation process, including the development of specifications, and submit incorrect information in the response to a Solicitation or misrepresent or fail to disclose material facts during the evaluation process. Any evidence that indicates that a respondent has failed to adhere with any section of these Guidelines may result in the respondent’s disqualification from the procurement as well as possible debarment.

5  CONFIDENTIALITY DURING EVALUATION PROCESS

5.1  City staff, consultants, and outside evaluators who are participants in the evaluation process are required to sign a confidentiality agreement which binds the participants not to share any information about responses received and the evaluation process until the City issues a notice of intended award.
6 CONFLICT OF INTEREST

6.1 City elected officials, appointed officials, their staffs, and City employees are expected to avoid any conflicts of interest. Further, employees should avoid the appearance of conflicts of interest in order to ensure that City decisions are made in an independent and impartial manner. In general, Council Appointees shall take measures to ensure that the City avoid any conflict of interests in procurement processes of City contracts. Specifically, these measures include that:

6.1.1 Persons who may not be regularly involved in City procurements review this Exhibit and other ethical standards and elicit such information from them to enable the City to determine if the person's participation would create a conflict of interest. Such persons shall include, but are not limited to:

- authors of specifications
- paid and unpaid evaluators
- paid and unpaid consultants who assist in the procurement process

6.1.2 The Purchasing Manager shall discuss any potential conflict of interest identified with the City Attorney's Office and document the resulting determination, and take appropriate action including, but not limited to, removal of an employee, consultant, or outside uncompensated party from the procurement activity or cancellation of a Solicitation.

6.2 ALLEGATIONS OF CONFLICT OF INTEREST

6.2.1 Prior to the Solicitation release up to award of contract, any allegations of conflict of interest by a City employee, consultant, or other participant in the pre-Solicitation and Solicitation process shall be reported to the Purchasing Manager. The Purchasing Manager shall investigate the alleged conflict of interest in consultation with the City Attorney's Office and document the resulting determination.

6.3 ALLEGATIONS OF MISCONDUCT

6.3.1 At any time during a Solicitation process, any misconduct by a City employee, consultant, or other participant in the pre-Solicitation and Solicitation process, shall be reported to the City's Purchasing Manager. The Purchasing Manager shall investigate the alleged misconduct, in consultation with the City Attorney's Office and others as appropriate. Nothing in these guidelines is intended to prohibit anyone from communicating with the City Manager's Office, the City Attorney's Office, or the Mayor or any City Council Member about any alleged misconduct.