

## **PUBLIC NOTICE**

Notice is hereby given that the County of Webb is seeking to enter into a leasing service contract for Drug Testing Instrument and soliciting proposals for substance abuse treatment services. All proposals submitted will be evaluated using the Texas Civil Statutes, Professional Services Procurement Act, Texas Government Code, Chapter 2254.

Copies of the Request for Proposals may be obtained at the Webb County Purchasing Office, 1110 Washington Street, Ste. 101, Laredo, Texas 78040.

One (1) Original Proposals with Eight (8) copies must be submitted in sealed envelopes to the Office of the Webb County Clerk. The sealed envelopes must be marked "Sealed Proposal" with proposal number on front lower left hand corner of envelope as follows:

**RFP-2010-09 "Substance Abuse Treatment Services"**

Proposals can be either hand delivered or mailed to the following locations:

**Webb County Clerk  
Webb County Justice Center  
1110 Victoria St., Suite 201  
Laredo, Texas 78040**

One (1) Original Proposals and Eight (8) copies must be delivered no later than **2:00 P.M., October 21, 2010**, at which time all proposals received will be opened and read to the public. Late proposals will not be considered. For additional information contact the Webb County Purchasing Office at (956) 523-4125.

The County of Webb reserves the right to reject any and all proposals or to select the proposal that is in the best interest of Webb County.

Dr. Cecilia Moreno  
Purchasing Agent

Advertise on the following dates:  
Wednesday, October 6, 2010  
Wednesday, October 13, 2010

THIS FORM MUST BE INCLUDED WITH PROPOSAL; PLEASE CHECK OFF EACH ITEM THAT APPLIES

## **“Sealed Proposal”**

**RFP No. 2010-09 “Substance Abuse Treatment Services”**

- Invitation to Bid**
- Submitted within bid notice due date; name and address of the bidder, date of bid opening; bid number and title on outside of sealed envelope**
- Bid Specification package**
  - Bid Form**
  - Bid requirements**
- Have read Proposal Term and Conditions**
- Proof of no delinquent taxes owed to Webb County**
- Conflict of Interest forms included**
- Workers compensation certificates (copy); Include copy of insurance coverage in package**

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**Signature of person  
Completing this form**

## WEBB COUNTY

### Request for Proposals for Substance Abuse Treatment Services

PROJECT NAME: Substance Abuse Treatment Services

PROJECT LOCATION: Webb County

#### GENERAL:

The County of Webb is soliciting Request for Proposals for Substance Abuse Treatment Services from vendors who can provide the services for the Community Supervision and Corrections Department. Vendors outside of the Webb County area must be able to provide transportation for clients to and from facilities. The following is an outline of services to be provided by a licensed facility.

#### SCOPE OF WORK

All clients referred from the CSCD must be screened and assessed before receiving the following services:

- Detoxification-TCADA Level 1 Residential
- Intensive Residential-TCADA Level 2 Residential
- Residential Treatment-TCADA Level 3 Residential
- Outpatient Treatment-TCADA Level 3 and Level 4 Out-patient

**Vendors must provide a copy of facility licensure by the Department of State Health Services (DSHS).**

- A. All proposals will be evaluated using Texas Civil Statues. Professional Service Procurement Act, Texas Government Code, Chapter 2254.
- B. The County of Webb shall negotiate a contract for the service based on a two-step process.
- C. The initial selection shall be based on the demonstrated competence and qualifications of the person, including any firm, who is to provide the services.

All person(s) or firm (s) will scored on the following:

Experience	55 points
Work Performance	25 points
Capacity to perform	15 points
Affirmative Action	5 points
Total Score	100 points

- D. After the County of Webb makes its selection, it shall proceed to negotiate a contract at a fair and reasonable price.
- E. If the County of Webb is unable to negotiate a satisfactory contract with the most highly qualified person/firm, the County shall end negotiations with that person or firm and begin negotiations with the second most highly qualified person. The negotiations shall be undertaken in this sequence until a contract is made.
- F. Cancellation Provision-Any contract award to a successful professional service provider will be in effect until:

The contract expires: August 31, 2012

Delivery and acceptance of performance of services ordered:

Terminated by Webb County with a sixty (60) written notice prior to cancellation.

- G. Ethical Standards-It shall be a breach of ethics to offer, give or agree to give any County official, committee member or employee or to solicit, demand, accept or agree to accept from another person, entity, or organization, a gratuity or any offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity, in any proceeding or application, request for ruling, determination, claim, or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before the County Commissioners.

## Minimum Standards for Responsible Prospective Professional Service Provider:

A prospective Professional Service Provider must affirmatively demonstrate their responsibility in completing this RFP. A prospective Professional Service Provider, by submitting a RFP, represents to the County of Webb that it meets the following requirements:

- Possess or is able to obtain adequate financial resources as required to perform under the RFP;
- Be able to comply with the required or proposed delivery schedule;
- Have a satisfactory record of performance;
- Have a satisfactory record of integrity and ethics;
- Be otherwise qualified and eligible to receive an award.

H. Hold Harmless Clause-Successful Professional Service Provider shall defend, indemnify and, save harmless Webb County and all its County officials, committee member, and employees from all suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property, on account of any negligent act or fault of the successful Professional Service Provider, or of any agent, employee, subcontractor or supplier in the execution of, or performance under any contract, which may result from award. Successful Professional Service Provider indemnifies and will indemnify and save harmless Webb County from liability, claim, or demand arise from event or casualty happenings or within the occupied premises themselves or happening upon or in any or the halls, elevators, entrances, stairways or approaches of or to the facilities within which the occupied promises are located. Successful Professional Service Provider shall pay any judgment with costs, which may be obtained against Webb County growing out of such injury or damages, and shall, upon request, provide a defense to Webb County by counsel reasonably acceptable to Webb County. Successful Professional Service Provider's indemnity hereunder shall include, but is not limited to, claims relating to patent, copyright or trademark infringement, and the like, arising out of the goods or services provided by successful Professional Service Provider.

### III. CRITERIA

#### A. Experience:

1. Please provide a listing of current clients with a contact person.
2. How many clients has your company worked with or is your company working with that are locally, state, or federally funded.

Project Management:

3. Personnel:

- a) Person to be in charge of this project: (Give qualifications and experience for this type of substance abuse treatment services and list the specific duties each will be assigned.)
- b) Identify other personnel to be involved in providing these services.

B. Work Performance:

1. Submit a brief summary report on your approach to management of substance abuse treatment services within budgetary constraints. Also, include a statement identifying your firm's methodology in the development of such a plan.
2. Proposer must provide a list of clients where similar work has been successfully completed.

C. Capacity to Perform:

1. Submit a brief summary of staffing level/experience of staff.
2. In your firm's capacity to perform, would your firm require any additional human and/or financial resources?
3. Please submit a copy of your current Professional Liability Insurance.

Note: The Commissioners' Court will accept Professional Liability Insurance on a project-by-project basis.

D. Affirmative Action:

- a) Is the proposing firm a small business or minority firm?

\_\_\_\_\_ Yes \_\_\_\_\_ No (If yes, explain)

\_\_\_\_\_  
Signature of Principal

Date: \_\_\_\_\_

NOTE:

All submissions relative to this Proposal shall become the property of Webb County and are non-returnable. If any further information is required please call Webb County Purchasing Agent, Dr. Cecilia Moreno, at (956) 523-4125 or Melissa Flores Nuncio, Accounting Supervisor at (956) 523-4393.

## COUNTY OF WEBB

### **Terms and Conditions of Invitations for Proposals**

1. GENERAL CONDITIONS:

Proposers are required to submit their proposals upon the following expressed conditions:

- (A) Proposers shall thoroughly examine the drawings, specification schedule, instructions and all other contract documents.
- (B) Proposers shall make all investigations necessary to thoroughly inform themselves regarding plant and facilities for delivery of materials and equipment as required by the bid conditions. No plea of ignorance by the bidder of conditions that exist or that may hereafter exist as a result of failure to fulfill in every detail the requirements of the contract documents of the County or the compensation of the vendor.
- (C) Proposers are advised that all County contracts be subject to all legal requirements provided for in county, state and federal statutes and regulations.

2. PREPARATION OF PROPOSALS:

Proposals will be prepared in accordance with the following:

- (A) All information required by the proposal form shall be furnished. The bidder shall print or type his name and manually sign the schedule and each continuation sheet on which an entry is made.
- (B) Unit prices shall be shown and where there is an error in extension of prices, the unit price shall govern.
- (C) Alternate bids will not be considered unless authorized by the Invitation for Bids.
- (D) Proposed delivery time must be shown and shall include Sundays and holidays.
- (E) Bidders will not include Federal taxes or State of Texas limited sales excise and use taxes in bid prices since the County of Webb is exempt from payment of such taxes. An exemption certificate will be signed where applicable upon request.

3. DESCRIPTION OF SUPPLIES:

Any catalog or manufacturer's reference used in describing an item is merely descriptive, and not restrictive, unless otherwise noted, and is used only to indicate type and quality of material. Bidders are required to state exactly what they intend to furnish otherwise they shall be required to furnish the items as specified.

4. SUBMISSION OF PROPOSALS:

- (A) Proposals and changes thereto shall be enclosed in sealed envelopes addressed to the Webb County Clerk. The name and address of the bidder, the date of the proposal opening and the material or service bid on shall be placed on the outside of the envelope.
- (B) Proposals must be submitted in the forms furnished. Telegraphic bids will not be considered. Proposals, however, may be modified by telegraphic notice provided such notice is received before the time and date set for the proposal opening.
- (C) Samples, when required, must be submitted within the time specified, at no expense to the County of Webb. If not destroyed or used up during testing, samples will be returned upon request at the proposer expense.

5. REJECTION OF PROPOSALS:

- (A) The Purchasing Agent may reject a proposal if it is not satisfactory to Commissioners' Court because:
  - (1) The proposer misstates or conceals any material fact in the bid or if,
  - (2) The proposal does not strictly conform to the law or the requirements of the proposal, or if,
  - (3) The proposal is conditional, except that the proposer may qualify his proposal for acceptance by the County on an "All or None" basis or a "low item" basis. An "All or None" basis proposal must include all items upon which bids are invited.
- (B) No proposal submitted herein shall be considered if the proposer owes any delinquent taxes to the County of Webb at the time proposals are opened. In the event that the successful proposer herein subsequently becomes delinquent in the payment of his or its County taxes, such fact shall constitute grounds for cancellation of the contract.

- (C) No proposal submitted herein shall be considered unless the proposer warrants that upon execution of a contract with the County of Webb, he will not engage in employment practices which have the effect of discriminating against employees or prospective employees because of race, color, sex, creed, or national origin and will submit such report as the County may thereafter require to assure compliance.
- (D) The County may, however, reject all proposals whenever it is deemed in the best interest of the County to do so, and may reject any part of a bid unless the proposal has been qualified as provided in 5 (a) 3 above. The County may also waive any minor informalities or irregularities in any bid.

6. WITHDRAWAL OF PROPOSALS:

Proposals not are withdrawn after the time set for the bid opening, unless approved by Commissioners' Court.

7. LATE PROPOSALS OR MODIFICATIONS:

Proposals and modifications received after the time set for the proposal submission will not be considered.

8. CLARIFICATIN OR OBJECTION TO PROPOSAL SPECIFICATIONS:

If any person contemplating submitting a proposal for this contract is in doubt as to the true meaning of the specifications, or other proposal documents or any part thereof, he may submit to the Purchasing Agent on or before five days prior to scheduled opening a request for clarification. All such requests for information shall be made in writing and the person submitting the request will be responsible for its prompt delivery. Any interpretation of the proposal, if made, will be made only by Addendum duly issued. A copy of such Addendum will be mailed or delivered to each person receiving a set of proposals. The County will not be responsible for any other explanation or interpretation of the proposal made or given prior to the award of the contract. Any objections to the specifications and requirements as set forth in this proposal must be filed in writing with the Purchasing Agent on or before five days prior to the scheduled opening.

9. DISCOUNTS:

- (A) Prompt payment discounts will be considered in making the award provided the period of the discount offered is sufficient to permit payment within such period in the regular course of business.

- (B) Concerning any discount offered, time will be computed from the date of receipt of supplies or services or from the date a correct invoice is received, whichever is the later date. Payment is deemed to be made on the date of mailing of the check.

10. AWARD OF CONTRACT:

- (A) The contract will be awarded to the lowest responsible bidder whose bid, conforming to the Invitation for Proposals, is most advantageous to the County price and other factors considered.
- (B) The County reserves the right to accept any item or group of items of this bid, unless the proposer qualified his proposal by specific limitations. Re Par. 5(a) 3 above.
- (C) A written award of acceptance mailed or otherwise furnished to the successful bidder results in a binding contract without further action by either party.
- (D) Prices must be quoted F.O.B. Webb County with all transportation charges prepaid, unless otherwise specified in the Invitation for Proposals.
- (E) Delivery time and prompt payment discounts, including time allowed for payment, will be considered in breaking of tie proposals.

11. PERFORMANCE DEPOSIT:

- (A) The successful proposer(s) must furnish the County of Webb a performance deposit in the amount set forth in the Invitation for Proposals. This deposit is not to be submitted with bids, but must be presented to the Purchasing Department upon notification.
- (B) The County of Webb will not enter a contract or issue a purchase order until the successful bidder has complied with the performance deposit provisions.
- (C) The performance deposit shall be in the form of a bond, certified check upon a State or National Bank or Trust Company signed by a duly authorized officer, thereof, or a certificate of deposit from such bank or trust company. All such bonds, checks and certificate of deposit shall be drawn payable to the order to the Webb County Treasurer and submitted to the Purchasing Agent's Office.

- (D) The performance deposit of the successful bidder(s) shall be returned by the County upon completion of the contract and final acceptance of all items in accordance with conditions thereof.
- (E) Failure of vendor to perform any of the services by this contract, within ten days of receipt of written demand for performance from County, or failure of vendor to correct or replace defective goods or products, within ten days from receipt of written demand will therefore, shall constitute a total breach of this contract, and shall be cause for termination. In the event of such termination the performance deposit shall be retained by the County of Webb as liquidated damages, based upon mutual agreement and understanding between vendor and County at the time this bid is solicited, submitted and accepted, that the County of Webb is a governmental agency engaged in public projects, and that the measurement of damages which might result from a breach of the terms and specifications herein is difficult or impossible to determine. Provided, however, that if in the opinion of the Purchasing Agent and the Commissioners' Court the failure of vendor to perform the conditions of this contract is occasioned by or is the result of acts or events over which the vendor has no control, said performance deposit may in whole or in part, as may be determined by the Purchasing Agent and the Commissioners' Court, be returned to the vendor. It is understood that such determination shall be entirely discretionary with the Purchasing Agent and the Commissioners' Court.

12. WORKERS' COMPENSATION INSURANCE COVERAGE:

The Workers' Compensation Commission has adopted Rule 110.110 effective with all bids advertised after September 1, 1994. The TWCC has stated that it is aware that a statutory requirement for workers' compensation insurance coverage is not being met. Therefore, Rule 110.110 requires that all bidders be covered under workers' compensation insurance to achieve compliance from both contractor(s) and governmental entities. **Attachment A** is provided in accordance with the requirements on governmental entities. Please read carefully and prepare your bid in full compliance to TWCC Rule 110.110. Failure to provide the required certificates upon submission of a bid could result in your bid being declared non-responsive.

## LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

Section 176.003 of the Local Government Code requires certain local government officers to file this form. A "local government officer" is defined as a member of the governing body of a local governmental entity; a director, superintendent, administrator, president, or other person designated as the executive officer of the local governmental entity; or an employee of a local governmental entity with respect to whom the local governmental entity has, in accordance with Section 176.005, extended the requirements of Sections 176.003 and 176.004. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

A local government officer commits an offense if the officer knowingly violates Section 176.003, Local Government Code. An offense under this section is a Class C misdemeanor.

Please refer to chapter 176 of the Local Government Code for detailed information regarding the requirement to file this form.

### INSTRUCTIONS FOR COMPLETING THIS FORM

*The following numbers correspond to the numbered boxes on the other side.*

1. **Name of Local Government Officer.** Enter the name of the local government officer filing this statement.
2. **Office Held.** Enter the name of the office held by the local government officer filing this statement.
3. **Name of person described by Sections 176.002(a) and 176.003(a), Local Government Code.** Enter the name of the person described by Section 176.002, Local Government Code with whom the officer has an employment or other business relationship as described by Section 176.003(a), Local Government Code.
4. **Description of the nature and extent of employment or business relationship with person named in item 3.** Describe the nature and extent of the employment or other business relationship with the person in item 3 as described by Section 176.003(a), Local Government Code.
5. **List gifts accepted, excluding gifts described by Section 176.003(a-1), if aggregate value of the gifts accepted from person named in item 3 exceed \$250.** List gifts accepted during the 12-month period (described by Section 176.003(a), Local Government Code) by the local government officer or family member of the officer, excluding gifts described by Section 176.003(a-1), from the person named in item 3 that in the aggregate exceed \$250 in value.
6. **Affidavit.** Signature of local government officer.

**LOCAL GOVERNMENT OFFICER  
CONFLICTS DISCLOSURE STATEMENT**

**FORM CIS**

(Instructions for completing and filing this form are provided on the next page.)

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.  This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.		<b>OFFICE USE ONLY</b>  Date Received _____
1	Name of Local Government Officer	
2	Office Held	
3	Name of person described by Sections 176.002(a) and 176.003(a), Local Government Code	
4	Description of the nature and extent of employment or other business relationship with person named in item 3	
5	List gifts accepted by the local government officer and any family member, excluding gifts described by Section 176.003(a-1), if aggregate value of the gifts accepted from person named in item 3 exceed \$250 during the 12-month period described by Section 176.003(a)(2)(B)	
	Date Gift Accepted _____ Description of Gift _____  Date Gift Accepted _____ Description of Gift _____  Date Gift Accepted _____ Description of Gift _____	
	(attach additional forms as necessary)	
6	<b>AFFIDAVIT</b>  I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to a family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a), Local Government Code.	
	_____ Signature of Local Government Officer	
	AFFIX NOTARY STAMP / SEAL ABOVE  Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20 _____, to certify which, witness my hand and seal of office.	
	_____ Signature of officer administering oath	_____ Printed name of officer administering oath
	_____ Title of officer administering oath	

## NOTICE TO ALL BIDDERS

The Texas Workers' Compensation Commission has adopted Rule 110.110 effective with all bids advertised after September 1, 1994 and these changes affect your bid on this project.

The TWCC has stated that it is aware that statutory requirements provided for workers' compensation insurance coverage is not being met. Rule 110.110 is designed to achieve compliance from both contractors and governmental entities... This affects both of us on this project.

Providing false or misleading certificates of coverage, failing to provide or maintain required coverage, or failing to report any change that materially affects the coverage may subject the contractor(s) or other persons providing services on this project to legal penalties. This affects your subcontractors.

Therefore, the attached is provided in accordance with the requirements on governmental entities. Please read carefully and prepare your bid in full compliance to TWCC Rule 110.110. Failure to provide the required certificates upon submission of a bid could result in your bid being declared non-responsive.

According to TWCC, "This rule does not create any duty or burden on anyone which the law does not establish." Therefore, the county should not experience any increase in cost because of the need to comply with the Texas Worker's Compensation laws.

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Dr. Cecilia May Moreno  
Webb County Purchasing Agent

**§110.110. Reporting Requirements for Building or Construction Projects for Governmental Entities.**

- (a) The following words and terms, when used in this rule, shall have the following meanings, unless the context clearly indicates otherwise. Terms not defined in this rule shall have the meaning defined in the Texas Labor Code, if so defined.
- (1) Certificate of coverage (certificate) –A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or workers’ compensation coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers’ compensation insurance coverage for the person’s or entity’s employees (including those subject to a coverage agreement) providing services on a project, for the duration of the project.
  - (2) Building or construction—Has the meaning defined in the Texas Labor Code, §406.09(e)(1).
  - (3) Contractor –A person bidding for or awarded a building or construction project by a governmental entity.
  - (4) Coverage—Workers’ compensation insurance meeting the statutory requirements of the Texas Labor Code, §401.011(44).
  - (5) Coverage agreement—A written agreement on form TWCC-81, form TWCC-82, form TWCC-83, or form TWCC-84, filed with the Texas Workers’ Compensation Commission which establishes a relationship between the parties for purposes of the Texas Workers’ Compensation Act, pursuant to the Texas Labor Code, Chapter 406, Subchapter F and G, as one of employer/employee and establishes who will be responsible for providing workers’ compensation coverage for persons providing services on the project.
  - (6) Duration of the project—Includes, the time from the beginning of work on the project until the work on the project has been completed and accepted by the governmental entity.
  - (7) Persons providing services on the project (“subcontractor” in §406.096 of the Act)—With the exception of persons excluded under subsection (h) and (i) of this section, includes all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the contractor

and regardless of whether that person has employees. This includes but is not limited to independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity furnishing persons to perform services on the project. "Services" includes but not limited to providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

- (8) Project—Includes the provision of all services related to a building or construction contract for a governmental entity.
  
- (b) Providing or causing to be provided a certificate of coverage pursuant to this rule is a representation by the insured that all employees of the insured who are providing services on the project are covered by workers' compensation coverage, that the coverage is based on proper reporting of classification codes and payroll amounts, and that all coverage agreements have filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading certificates of coverage, or failing to provide or maintain required coverage, or failing to report any change that materially affects the provision of coverage may subject the contractor or other person providing services on the project to administrative penalties, criminal penalties, civil penalties, or other civil actions.
  
- (c) A governmental entity that enters into a building or construction contract on a project shall:
  - (1) include in the bid specifications, all the provisions of paragraph (7) of this subsection, using the language required by paragraph (7) of this subsection;
  - (2) as part of the contract, using the language required by paragraph (7) of this subsection, require the contractor to perform as required in subsection (d) of this section;
  - (3) obtain from the contractor a certificate of coverage for each person providing services on the project, prior to that person beginning work on the project;
  - (4) obtain from the contractor a new certificate of coverage showing extension of coverage:

- (A) before the end of the current coverage period, if the contractor's current certificate of coverage shows that the coverage period ends during the duration of the project; and
  - (B) no later than seven days after the expiration of the coverage for each other person providing services on the project whose current certificate shows that the coverage period ends during the duration of the project; and
- (5) retain certificates of coverage on file for the duration of the project and for three years thereafter,
  - (6) provide a copy of the certificates of coverage to the commission upon request and to any person entitled to them by law; and
  - (7) use the language contained in the following Figure 1 for bid specifications and contracts, without any additional words or changes, except those required to accommodate the specific document in which they are contained or to impose stricter standards of documentation:

Article \_\_\_\_\_ *Workers' Compensation Insurance coverage.*

A. *Definitions:*

*Certificate of coverage ("certificate") – A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.*

*Duration of the project – includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.*

*Persons providing services on the project ("subcontractor" in §406.096) – includes all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing,*

*hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.*

- B. The contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011 (44) for all employees of the contractor providing services on the project, for the duration of the project.*
- C. The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract*
- D. If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.*
- E. The contractor shall obtain from each person providing services on a project, and provide to the governmental entity:*
  - (1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and*
  - (2) no later than seven days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.*
- F. The contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.*
- G. The contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the contractor knew or should have known of any change that materially affects the provision of coverage of any person providing services on the project.*

- H. *The contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.*
- I. *the contractor shall contractually require each person with whom it contracts to provide services on a project, to:*
- (1) *provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;*
  - (2) *provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;*
  - (3) *provide the contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*
  - (4) *obtain from each other person with whom it contracts, and provide the contractor;*
    - (A) *a certificate of coverage, prior to the other person beginning work on the project; and*
    - (B) *a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;*
  - (5) *retain all required certificates of coverage on file for the duration of the project and for one year thereafter;*
  - (6) *notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and*

(7) *contractually require each person with whom it contracts, to perform as required by paragraphs (1)-(7), with the certificates of coverage to be provided to the person for whom they are providing services.*

J. *By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity that all employees of the contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.*

K. *The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten days after receipt of notice of breach from the governmental entity.*

(d) A contractor shall:

- (1) provide coverage for its employees providing services on a project, for the duration of the project based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements;
- (2) provide a certificate of coverage showing workers' compensation coverage to the governmental entity prior to beginning work on the project;
- (3) provide the governmental entity, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project;
- (4) obtain from each person providing services on a project, and provide to the governmental entity:

- (A) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
  - (B) no later than seven days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
- (5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
- (6) notify the governmental entity in writing by certified mail or personal delivery, within ten days after the contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project;
- (7) post a notice on each project site informing all persons providing services on the project that they are required to be covered, and stating how a person may verify current coverage and report failure to provide coverage. This notice does not satisfy other posting requirements imposed by the Act or other commission rules. This notice must be printed with a title in at least 30 point bold type and text in at least 19 point normal type, and shall be in both English and Spanish and any other language common to the worker population. The text for the notices shall be the following text provided by the commission on the sample notice, without any additional words or changes.

*“REQUIRED WORKERS’ COMPENSATION COVERAGE”*

*“The law requires that each person working on this site or providing services related to this construction project must be covered by workers’ compensation insurance. This includes persons providing, hauling, or delivering equipment or materials, or providing labor or transportation or other service related to the project, regardless of the identity of their employer or status as an employee.”*

*“Call the Texas Workers’ Compensation Commission at 512-440-3789 to receive information on the legal requirement for coverage, to verify whether your employer has provided the required coverage, or to report an employer’s failure to provide coverage.”*

- (8) contractually require each person with whom it contracts to provide services on a project to:
- (A) provide coverage based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements for all of its employees providing services on the project, for the duration of the project;
  - (B) provide a certificate of coverage to the contractor prior to that person beginning work on the project;
  - (C) include in all contracts to provide services on the project the language in subsection (e)(3) of this section;
  - (D) provide the contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
  - (E) obtain from each other person with whom it contracts, and provide to the contractor:
    - (i) a certificate of coverage, prior to the other person beginning work on the project; and
    - (ii) prior to the end of the coverage period, a new certificate of coverage showing extension of the coverage period, if the coverage period if the coverage period shown on the current certificate of coverage ends during the duration of the project;
  - (F) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
  - (G) notify the governmental entity in writing by certified mail or personal delivery, within ten days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
  - (H) contractually require each other person with whom it contracts, to perform as required by subparagraph (A)-(H) of this paragraph, with the certificate of coverage to be provided to the person for whom they are providing services.

- (e) A person providing services on a project, other than a contractor, shall:
- (1) provide coverage for its employees providing services on a project, for the duration of the project based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements;
  - (2) provide a certificate of coverage as required by its contract to provide services on the project, prior to beginning work on the project;
  - (3) have the following language in its contract to provide services on the project: “By signing this contract or providing or causing to be provided a certificate of coverage, the person signing this contract is representing to the governmental entity that all employees of the person signing this contract who will provide services on the project will be covered by workers’ compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission’s Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal penalties, civil penalties, or other actions.”
  - (4) provide the person for whom it is providing services on the project, prior to the end of the coverage period shown on its current certificate of coverage, a new certificate showing extensions of coverage, if the coverage period shown on the certificate of coverage ends during the duration of the project:
  - (5) obtain from each person providing services on a project under contract to it, and provide as required by its contract:
    - (A) a certificate of coverage, prior to the other person beginning work on the project; and
    - (B) prior to the end of the coverage period, a new certificate of coverage showing extensions of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;

- (6) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
- (7) notify the governmental entity in writing by certified mail or personal delivery, of any change that materially affects the provision of coverage of any person providing services on the project and send the notice within ten days after the person knew or should have known of the change; and
- (8) contractually require each other person with whom it contracts to:
  - (A) provide coverage based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements for all of its employees providing services on the project, for the duration of the project;
  - (B) provide a certificate of coverage to it prior to that other person beginning work on the project;
  - (C) include in all contracts to provide services on the project the language in paragraph (3) of this subsection;
  - (D) provide, prior to the end of the coverage period, a new certificate of coverage showing extension of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
  - (E) obtain from each other person under contract to it to provide services on the project, and provide as required by its contract;
    - (i) a certificate of coverage, prior to the other person beginning work on the project; and
    - (ii) prior to the end of the coverage period, a new certificate of coverage showing extension of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the contract;

- (F) retain all required certificates on file for the duration of the project and for one year thereafter;
  - (G) notify the governmental entity in writing by certified mail or personal delivery, within ten days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
  - (H) contractually require each person with whom it contracts, to perform as required by this subparagraph and subparagraphs (A)-(G) of this paragraph, with the certificates of coverage to be provided to the person for whom they are providing services.
- (f) If any provision of this rule or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this rule that can be given effect without the invalid provision or application, and to this end the provision of this rule declared to be severable.
  - (g) This rule is applicable for building or construction contracts advertised for bid by a governmental entity on or after September 1, 1994. This rule is also applicable for those building or construction contracts entered into on or after September 1, 1994, which are not required by law to be advertised for bid.
  - (h) The coverage requirement in this rule does not apply to motor carriers who are required pursuant to Texas Civil Statutes, Article 667c, to register with the Texas Department of Transportation and who provide accidental insurance coverage pursuant to Texas Civil Statutes 667c, §4(j).
  - (i) The coverage requirement in this rule does not apply to sole proprietors, partners, and corporate officers who meet the requirements of the Act, §406.097(c), and who are explicitly excluded from coverage in accordance with the Act, §406.097(a) (as added by House Bill 1089, 74<sup>th</sup> Legislature, 1995, §1.20). This subsection applies only to sole proprietors, partners, and corporate executive officers who are excluded from coverage in an insurance policy or certificate of authority to self-insure that is delivered, issued for delivery, or renewed on or after January 1, 1996.

*The provisions of this §110.110 adopted to be effective September 1, 1994, 19 TexReg 5715; amended to be effective November 6, 1995, 20 TexReg 8609.*

