

**CONTRACT BETWEEN THE CITY OF AUSTIN  
AND  
Augeo Affinity Insurance Services Inc.  
For  
Employee Discount Program  
MA NA180000010**

This Contract is made by and between the City of Austin ("City"), a home-rule municipality incorporated by the State of Texas, and Augeo Affinity Insurance Services Inc. ("Contractor"), having offices at 2561 Territorial Road, St. Paul, MN 55114,

**SECTION 1. GRANT OF AUTHORITY, SERVICES AND DUTIES**

1.1 **Engagement of the Contractor.** Subject to the general supervision and control of the City and subject to the provisions of the Terms and Conditions contained herein, the Contractor is engaged to provide the services set forth in Section 2, Scope of Work.

1.2 **Responsibilities of the Contractor.** The Contractor shall provide all technical and professional expertise, knowledge, management, and other resources required for accomplishing all aspects of the tasks and associated activities identified in the Scope of Work. In the event that the need arises for the Contractor to perform services beyond those stated in the Scope of Work, the Contractor and the City shall negotiate mutually agreeable terms and compensation for completing the additional services.

1.3 **Responsibilities of the City.** The City's Contract Manager will be responsible for exercising general oversight of the Contractor's activities in completing the Scope of Work. Specifically, the Contract Manager will represent the City's interests in resolving day-to-day issues that may arise during the term of this Contract, shall participate regularly in conference calls or meetings for status reporting, shall promptly review any written reports submitted by the Contractor, and shall approve all invoices for payment, as appropriate. The City's Contract Manager shall give the Contractor timely feedback on the acceptability of progress and task reports.

1.4 **Designation of Key Personnel.** The Contractor's Contract Manager for this engagement shall be Brian Zibuda, Phone: (617) 448-1768, Email Address: [bzibuda@perksgroup.net](mailto:bzibuda@perksgroup.net). The City's Contract Manager for the engagement shall be Anitra Jones, Phone: (512) 974-3448, Email Address: [Anitra.Jones@austintexas.gov](mailto:Anitra.Jones@austintexas.gov). The City and the Contractor resolve to keep the same key personnel assigned to this engagement throughout its term. In the event that it becomes necessary for the Contractor to replace any key personnel, the replacement will be an individual having equivalent experience and competence in executing projects such as the one described herein. Additionally, the Contractor will promptly notify the City Contract Manager and obtain approval for the replacement. Such approval shall not be unreasonably withheld.

**SECTION 2. SCOPE OF WORK**

2.1 **Contractor's Obligations.** The Contractor shall fully and timely provide all deliverables described herein and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.

2.2 **Tasks.** In order to accomplish the work described herein, the Contractor shall perform each of the tasks outlined in the Exhibits to this Contract.

**SECTION 3. COMPENSATION**

3.1 **Contract Amount.** The Contractor will be paid a total not-to-exceed amount of \$0.00 for the initial Contract term and \$0.00 for each extension option. This is a revenue/cost neutral contract. The City neither pays any amount nor receives any revenue as a result of the Contract.

3.2 **Non-Appropriation.** The awarding or continuation of this Contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds Appropriated and available for this Contract. The absence of Appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not Appropriated or available and any deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate Appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any Appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of non or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

### 3.3 **Final Payment and Close-Out.**

#### 3.3.1 The making and acceptance of final payment will constitute:

3.3.1.1 a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and

3.3.1.2 a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

## **SECTION 4. TERM AND TERMINATION**

4.1 **Term of Contract.** The Contract shall be in effect for an initial term of 36 months effective January 1, 2018, and may be extended thereafter for up to two (2) additional 12 month periods, subject to the approval of the Contractor and the City Purchasing Officer or his designee.

4.1.1 Upon expiration of the initial term or period of extension, the Contractor agrees to hold over under the terms and conditions of this Contract for such a period of time as is reasonably necessary to re-solicit and/or complete the project (not to exceed 120 calendar days unless mutually agreed on in writing).

4.2 **Right To Assurance.** Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

4.3 **Default.** The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under the Right to Assurance paragraph herein, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by Contractor to the City.

4.4 **Termination For Cause.** In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. The City may place Contractor on probation for a specified period of time within which the Contractor must correct any non-compliance issues. Probation shall not normally be for a period of more than nine (9) months, however, it may be for a longer period, not to exceed one (1) year depending on the circumstances. If the City determines the Contractor has failed to perform satisfactorily during the probation period, the City may proceed with suspension. In the event of a default by the Contractor, the City may suspend or debar the Contractor in accordance with the "City of Austin Purchasing Office Probation, Suspension and Debarment Rules for Vendors" and remove the Contractor from the City's vendor list for up to five (5) years and any Offer submitted by the Contractor may be disqualified for up to five (5) years. In addition to any other remedy available under law or in equity, the City shall be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.

4.5 **Termination Without Cause.** The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds Appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.

4.6 **Fraud.** Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

## SECTION 5. OTHER DELIVERABLES

5.1 **Insurance:** The following insurance requirements apply.

### 5.1.1 **General Requirements.**

5.1.1.1 The Contractor shall at a minimum carry insurance in the types and amounts indicated herein for the duration of the Contract and during any warranty period.

5.1.1.2 The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to Contract execution and within fourteen (14) calendar days after written request from the City.

5.1.1.3 The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.

5.1.1.4 The Contractor shall not commence work until the required insurance is obtained and has been reviewed by City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.

5.1.1.5 The City may request that the Contractor submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.

5.1.1.6 The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better.

5.1.1.7 All endorsements naming the City as additional insured, waivers, and notices of cancellation endorsements as well as the Certificate of Insurance shall be mailed to the following address:

City of Austin  
Purchasing Office  
P. O. Box 1088  
Austin, Texas 78767

5.1.1.8 The "other" insurance clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.

5.1.1.9 If insurance policies are not written for amounts specified in Paragraph 5.1.2, Specific Coverage Requirements, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.

5.1.1.10 The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto and may make any reasonable requests for deletion or revision or modification of particular policy terms, conditions, limitations, or exclusions except where policy provisions are established by law or regulations binding upon either of the parties hereto or the underwriter on any such policies.

5.1.1.11 The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.

5.1.1.12 The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.

5.1.1.13 The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.

5.1.1.14 The Contractor shall endeavor to provide the City thirty (30) calendar days written notice of erosion of the aggregate limits below occurrence limits for all applicable coverages indicated within the Contract.

5.1.2 **Specific Coverage Requirements.** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

5.1.2.1 **Commercial General Liability Insurance.** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injuries). The policy shall contain the following provisions and endorsements.

5.1.2.1.1 Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.

5.1.2.1.2 Contractor/Subcontracted Work.

5.1.2.1.3 Products/Completed Operations Liability for the duration of the warranty period.

5.1.2.1.4 Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage.

5.1.2.1.5 Thirty (30) calendar days' Notice of Cancellation, Endorsement CG 0205, or equivalent coverage.

5.1.2.1.6 The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage.

5.1.2.2 **Business Automobile Liability Insurance.** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident. The policy shall contain the following endorsements:

5.1.2.2.1 Waiver of Subrogation, Endorsement CA0444, or equivalent coverage.

5.1.2.2.2 Thirty (30) calendar days' Notice of Cancellation, Endorsement CA0244, or equivalent coverage.

5.1.2.2.3 The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.

5.1.2.3 **Worker's Compensation and Employers' Liability Insurance.** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee. The policy shall contain the following provisions and endorsements:

5.1.2.3.1 The Contractor's policy shall apply to the State of Texas.

5.1.2.3.2 Waiver of Subrogation, Form WC420304, or equivalent coverage.

5.1.2.3.3 Thirty (30) calendar days' Notice of Cancellation, Form WC420601, or equivalent coverage.

5.1.2.4 **Endorsements.** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.

## 5.2 **Equal Opportunity.**

5.2.1 **Equal Employment Opportunity.** No Contractor, or Contractor's agent, shall engage in any discriminatory employment practice as defined in Chapter 5-4 of the City Code. No Offer submitted to the City shall be considered, nor any Purchase Order issued, or any Contract awarded by the City unless the Offeror has executed and filed with the City Purchasing Office a current Non-Discrimination Certification. Non-compliance with Chapter 5-4 of the City Code may result in sanctions, including termination of the contract and the Contractor's suspension or debarment from participation on future City contracts until deemed compliant with Chapter 5-4.

5.2.2 **Americans With Disabilities Act (ADA) Compliance.** No Contractor, or Contractor's agent, shall engage in any discriminatory practice against individuals with disabilities as defined in the ADA, including but not limited to: employment, accessibility to goods and services, reasonable accommodations, and effective communications.

5.3 **Acceptance of Incomplete or Non-Conforming Deliverables.** If, instead of requiring immediate correction or removal and replacement of defective or non-conforming deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.

## 5.4 **Delays.**

5.4.1 The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified herein. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.

5.4.2 Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In the event of default or delay in Contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

5.5 **Ownership And Use Of Deliverables.** For the term of this Contract, the Contractor grants the City a non-commercial, fully paid up, royalty-free, non-transferrable, non-sublicensable, worldwide license in and to any and all materials prepared for or submitted to the City, all for use in communications between the City and any City employees or retirees.

5.6 **Rights to Proposal and Contractual Material.** All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, Texas Government Code.

5.7 **Publications.** All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

## **SECTION 6. WARRANTIES**

6.1 **Warranty – Services.** The Contractor warrants and represents that all services to be provided to the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.

6.1.1 The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.

6.1.2 Unless otherwise specified in the Contract, the warranty period shall be at least one year from the acceptance date. If during the warranty period, one or more of the warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.

6.1.3 If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.

## **SECTION 7. MISCELLANEOUS**

### **7.1 Workforce.**

7.1.1 The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.

7.1.2 The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Austin contract or on the City's property:

7.1.2.1 use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the Contract; and

7.1.2.2 use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.

7.1.3 If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ such worker again on Contract services without the City's prior written consent.

7.2 **Compliance with Health, Safety, and Environmental Regulations.** The Contractor, its Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

**7.3 Significant Event.** The Contractor shall immediately notify the City's Contract Manager of any current or prospective "significant event" on an ongoing basis. All notifications shall be submitted in writing to the Contract Manager. As used in this provision, a "significant event" is any occurrence or anticipated occurrence which might reasonably be expected to have a material effect upon the Contractor's ability to meet its contractual obligations. Significant events may include but not be limited to the following:

7.3.1 disposal of major assets;

7.3.2 any major computer software conversion, enhancement or modification to the operating systems, security systems, and application software, used in the performance of this Contract;

7.3.3 any significant termination or addition of provider contracts;

7.3.4 the Contractor's insolvency or the imposition of, or notice of the intent to impose, a receivership, conservatorship or special regulatory monitoring, or any bankruptcy proceedings, voluntary or involuntary, or reorganization proceedings;

7.3.5 strikes, slow-downs or substantial impairment of the Contractor's facilities or of other facilities used by the Contractor in the performance of this Contract;

7.3.6 reorganization, reduction and/or relocation in key personnel;

7.3.7 known or anticipated sale, merger, or acquisition;

7.3.8 known, planned or anticipated stock sales;

7.3.9 any litigation against the Contractor; or

7.3.10 significant change in market share or product focus.

#### **7.4 Audits and Records.**

7.4.1 The Contractor agrees that the representatives of the Office of the City Auditor or other authorized representatives of the City shall have access to, and the right to audit, examine, or reproduce, any and all records of the Contractor related to the performance under this Contract. The Contractor shall retain all such records for a period of three (3) years after final payment on this Contract or until all audit and litigation matters that the City has brought to the attention of the Contractor are resolved, whichever is longer. The Contractor agrees to refund to the City any overpayments disclosed by any such audit.

##### **7.4.2 Records Retention:**

7.4.2.1 Contractor is subject to City Code chapter 2-11 (Records Management), and as it may subsequently be amended. For purposes of this subsection, a Record means all books, accounts, reports, files, and other data recorded or created by a Contractor in fulfillment of the Contract whether in digital or physical format, except a record specifically relating to the Contractor's internal administration.

7.4.2.2 All Records are the property of the City. The Contractor may not dispose of or destroy a Record without City authorization and shall deliver the Records, in all requested formats and media, along with all finding aids and metadata, to the City at no cost when requested by the City.

7.4.3 The Contractor shall include sections 7.4.1 and 7.4.2 above in all subcontractor agreements entered into in connection with this Contract.

**7.5 Stop Work Notice.** The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.

## 7.6 **Indemnity.**

### 7.6.1 Definitions:

7.6.1.1 "Indemnified Claims" shall include any and all claims, demands, suits, causes of action, judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for:

7.6.1.1.1 damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or;

7.6.1.1.2 death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),

7.6.1.2 "Fault" shall include the sale of defective or non-conforming deliverables, negligence, willful misconduct, or a breach of any legally imposed strict liability standard.

7.6.2 **THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.**

7.7 **Claims.** If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse effect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Austin City Attorney. Personal delivery to the City Attorney shall be to City Hall, 301 West 2<sup>nd</sup> Street, 4<sup>th</sup> Floor, Austin, Texas 78701, and mail delivery shall be to P.O. Box 1088, Austin, Texas 78767.

7.8 **Notices.** Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the City and the Contractor shall be addressed as follows:

To the City:

City of Austin, Purchasing Office

ATTN: Roger Stricklin, Procurement Specialist  
IV

P O Box 1088

Austin, TX 78767

To the Contractor:

Augeo Affinity Insurance Services Inc.

ATTN: General Counsel

2561 Territorial Road

St. Paul, MN 55114

7.9 **Confidentiality.** In order to provide the deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its



licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Contract, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information. To the extent permitted by applicable law, the City will not disclose any material submitted to the City by the Contractor to the extent such material has been clearly marked by the Contractor as confidential and proprietary pursuant to Paragraph 5.6. However, the Contractor acknowledges that the City is a public entity, and is subject at all times to the Texas Public Information Act, Chapter 552, Texas Government Code.

7.10 **Advertising.** The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.

7.11 **No Contingent Fees.** The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

7.12 **Gratuities.** The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.

7.13 **Prohibition Against Personal Interest in Contracts.** No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City.

7.14 **Independent Contractor.** The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City.

7.15 **Assignment-Delegation.** The Contract shall be binding upon and enure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there be no third party beneficiaries to the Contract.

7.16 **Waiver.** No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.

7.17 **Modifications.** The Contract can be modified or amended only in writing signed by both parties. No pre-printed or similar terms on any Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.

7.18 **Interpretation.** The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

7.19 **Dispute Resolution.**

7.19.1 If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.

7.19.2 If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option, the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Travis County Dispute Resolution Center (DRC). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

7.20 **Minority And Women Owned Business Enterprise (MBE/WBE) Procurement Program.**

7.20.1 All City procurements are subject to the City's Minority-Owned and Women-Owned Business Enterprise Procurement Program found at Chapters 2-9A, 2-9B, 2-9C and 2-9D of the City Code. The Program provides Minority-Owned and Women-Owned Business Enterprises (MBEs/WBEs) full opportunity to participate in all City contracts.

7.20.2 The City of Austin has determined that no goals are appropriate for this Contract. **Even though no goals have been established for this Contract, the Contractor is required to comply with the City's MBE/WBE Procurement Program, Chapters 2-9A, 2-9B, 2-9C and 2-9D, of the City Code, as applicable, if areas of subcontracting are identified.**

7.20.3 If any service is needed to perform the Contract and the Contractor does not perform the service with its own workforce or if supplies or materials are required and the Contractor does not have the supplies or materials in its inventory, the Contractor shall contact the Department of Small and Minority Business Resources (DSMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Contractor must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract; using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

## 7.21 **Subcontractors.**

7.21.1 A Subcontractor is defined as a person, firm, or entity providing goods and/or services to Contractor to be used in the performance of the Contractor's obligations under the Contract, with the exception of those persons, firms, or entities, such as merchants, benefits providers and vendors that generally support Contractor's discount programs, but will not be providing such support specifically under this Contract.

7.21.2 If the Contractor identified Subcontractors in an MBE/WBE Program Compliance Plan or a No Goals Utilization Plan, the Contractor shall comply with the provisions of Chapters 2-9A, 2-9B, 2-9C, and 2-9D, as applicable, of the Austin City Code and the terms of the Compliance Plan or Utilization Plan as approved by the City (the "Plan"). The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing in accordance with the provisions of Chapters 2-9A, 2-9B, 2-9C and 2-9D, as applicable. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Contract Manager and the Purchasing Office Contract Compliance Manager no later than the tenth calendar day of each month.

7.21.3 Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:

7.21.3.1 require that all deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract.

7.21.3.2 prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in form, substance and amount acceptable to the City;

7.21.3.3 require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;

7.21.3.4 require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and

7.21.3.5 require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.

7.21.4 The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.

7.21.5 The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

7.22 **Jurisdiction And Venue.** The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Travis County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

7.23 **Invalidity.** The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

7.24 **Holidays.** The following holidays are observed by the City:

<u>Holiday</u>	<u>Date Observed</u>
New Year's Day	January 1
Martin Luther King, Jr.'s Birthday	Third Monday in January
President's Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November
Friday after Thanksgiving	Friday after Thanksgiving
Christmas Eve	December 24
Christmas Day	December 25

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday.

7.25 **Survivability of Obligations.** All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

7.26 **Non-Suspension or Debarment Certification.** The City of Austin is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Austin Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.

7.27 **Incorporation of Documents.** **Section 0100, Standard Purchase Definitions**, is hereby incorporated into this Contract by reference, with the same force and effect as if they were incorporated in full text. The full text versions of this Section are available, on the Internet at the following online address:

[https://assets.austintexas.gov/purchase/downloads/standard\\_purchase\\_definitions.pdf](https://assets.austintexas.gov/purchase/downloads/standard_purchase_definitions.pdf)

7.28 **Order of Precedence.** The Contract documents include, without limitation,, the Offer, the Contract and exhibits, and any addenda and amendments thereto. Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order.

7.28.1 the Contract, including exhibits;

7.28.2 the Offer and exhibits within the Offer; drawings (figured dimensions shall govern over scaled dimensions) will take precedence over specifications or scope of work.

In witness whereof, the parties have caused duly authorized representatives to execute this Contract on the dates set forth below.

AUGEO AFFINITY INSURANCE SERVICES INC.

By:   
Signature

Name: DANIEL KRISTAL  
Printed Name

Title: V.P.

Date: 1/23/18

CITY OF AUSTIN

By:   
Signature

Name: Roger Stricklin  
Printed Name

Title: Procurement Specialist IV

Date: 1-23-18

## List of Exhibits

Exhibit A	Scope of Work
Exhibit B	Non-Discrimination and Non-Retaliation Certification
Exhibit C	Augeo Proposal dated August 7, 2017 ("Offer")
Exhibit D	Products and Services List
Exhibit E	HIPAA Business Associate Agreement
Exhibit F	Broker of Record Letter

## **EXHIBIT A**

### **SCOPE OF WORK**

#### **1.0 BACKGROUND**

The City provides access to benefit programs to the following:

- **Employees:** includes all eligible employees of the City and of the Affiliated Employers.
- **Retirees:** includes all eligible retirees and surviving spouses of the City and of the Affiliated Employers.
- **Affiliated Employers:** includes the City of Austin Employees' Retirement System, City of Austin Police Retirement System, and Austin Fire Fighters Relief and Retirement Fund.
- **Participants:** includes all eligible employees, retirees, surviving spouses, eligible dependents, COBRA participants, Continuation of Coverage for Domestic Partners, and surviving family members of the City and of the Affiliated Employers.

##### **1.1 Employees**

Employees are currently offered the following benefits: medical, dental, vision, basic life, supplemental life, dependent life, short term disability, long term disability, prepaid legal, IRS Health Savings Account, Section 125 flexible benefit (FLEXTRA) Health Care and Dependent Care spending accounts, and a childcare assistance program.

As of March 2017, approximately 12,500 active employees were eligible for benefits. 12,300 Employees and 14,000 dependents were enrolled in at least one benefit.

##### **1.2 Retirees**

Retirees are currently offered the following benefits: medical, dental, vision and basic life. The City coordinates benefits with three Pension Systems.

As of March, 2017, approximately 7,000 retirees and surviving spouses were eligible for benefits. 4,800 retirees and 1,800 dependents were enrolled in at least one benefit.

##### **1.3 Other Governmental Entities**

Governmental entities may, subject to City Council approval, be engaged in Interlocal agreements to utilize the Employee Discount Program.

#### **2.0 SCOPE OF WORK**

##### **2.1 Title of Program**

Employee Discount Program

##### **2.2 Objective**

Contractor shall provide the City with a web based discount program which includes products and services.

##### **2.3 Minimum Products and Services Requirements:**

###### **2.3.1 Products and Services:**

- a. Gym Memberships
- b. Jewelry
- c. Furniture
- d. Computers
- e. Automobiles
- f. Travel

## **EXHIBIT A SCOPE OF WORK**

- g. Electronic Equipment
- h. Banking Services
- i. Cell phones or other Communication Services
- j. Prescription Eyewear
- k. Hearing Aids
- l. Weight Management
- m. Smoking Cessation Programs
- n. Insurance Products
  - a) Cancer, Stroke, Heart, Transplant, Other Serious Illness
  - b) Voluntary Whole/Universal Life
  - c) Automobile
  - d) Homeowner
  - e) Pet
  - f) Burial
- o. Identity Theft Protection
- p. Long Term Care
- q. Moving Services

2.3.2 The City prefers that all discount products and services offered to participants at the onset of the plan year continue to be offered throughout the plan year. The City shall be notified 60 days prior to products and services no longer being offered.

2.3.3 Costs associated with, but not limited to, the implementation of the Employee Discount Program shall be the responsibility of the Contractor.

### **2.4 Administration Requirements:**

Contractor shall meet the following administrative requirements:

2.4.1 No fees will be charged to participants or the City for administration or participation in the program.

2.4.2 Direct bill participants for purchases, services and products.

2.4.3 Provide a customer service unit to manage all complaints and disputes generated from the Program.

2.4.4 Maintain data security for all participants; and work cooperatively with the City, at the City's direction.

2.4.5 The City reserves the right to determine which products and services should be included or excluded in the Employee Discount Program, including products and services on the City's intranet discount page. The City will review products and services periodically.

2.4.6 The City reserves the right during the contract to exercise either of two options to access the Contractor's Employee Discount website.

2.4.6.1 Single- Sign On

2.4.6.2 Group Code – requires an eligibility file.



## **EXHIBIT A**

### **SCOPE OF WORK**

2.4.7 The City reserves the right during the contract to exercise for the Contractor to obtain a monthly eligibility file from the City's Third Party Administrator at the expense of the Contractor or Contractor's Third Party Administrator.

2.4.8 Participants may purchase a product through the Contractor's self-directed deduction benefit.

#### **2.5 Customer and Client Services Requirements**

2.5.1 The Contractor's customer service shall include, at a minimum: purchase inquiries; problem resolution; products return assistance; education of the program; and provider information (if applicable).

2.5.2 The Contractor shall respond to telephone calls and electronic mail from City staff within one business day. The City shall be notified if additional time is required to resolve an inquiry/complaint.

2.5.3 The Contractor shall have customer service staff available to answer questions Monday through Friday from 8:00 a.m. to 6:00 p.m. Central Time.

2.5.4 The Contractor shall have a toll-free telephone number and a TTY line.

2.5.5 The Contractor's telephone system shall have the capability to prompt-out to speak to a customer service person.

2.5.6 The Contractor shall have a customer grievance process.

2.5.7 The Contractor shall assign designated staff for the City's account.

2.5.8 The Contractor shall meet quarterly with the City benefits staff.

2.5.9 Contractor's account team shall provide training related to the Employee Discount Program's internal operations to appropriate City staff upon City's request. Staff training will occur randomly based on changes to services or program design and as the City determines to be necessary.

#### **2.6 Operation Requirements**

##### **2.6.1 Transition and Implementation Requirements**

2.6.1.1 Contractor shall meet the timelines specified in this section. The Contractor shall provide weekly progress reports during implementation.

2.6.1.2 Upon execution of the Contract, Contractor shall immediately staff an implementation team and name an implementation manager. The names, positions and qualifications of the implementation team shall be communicated to the City fifteen (15) business days from the award of the Contract. Implementation shall begin no later than December 2017. The implementation manager shall serve as the City's primary contact throughout the implementation, and shall have the authority to make binding decisions for the Contractor.

2.6.1.3 During the implementation period, the Contractor shall:

## **EXHIBIT A**

### **SCOPE OF WORK**

- 2.6.1.3.1 Maintain sufficient, qualified staff, with technical capabilities and resources that are fully devoted to the Discount Product Implementation.
- 2.6.1.3.2 Not permit any current or prospective business, projects or other matters to interfere in any manner with the smooth and timely implementation of the Discount Product Implementation.
- 2.6.1.3.3 Manage all aspects identified during the Implementation Period approval.
- 2.6.1.4 Within 30 days of contract award, the Contractor shall meet with the City to finalize the products/services offered, administrative procedures, and expectations.
- 2.6.1.5 Customer Service line shall be operational two (2) business days prior to the program effective date.
- 2.6.1.6 Contractor shall be fully operational to verify products and services, and conduct transactions, as of 12:01 a.m. on no later than December 22, 2017.
- 2.6.1.7 Should the City extend the Contract Contractor shall meet the same timeline requirements for each succeeding extension period.
- 2.6.2 **Communication Requirements**
  - 2.6.2.1 Prior approval of any and all materials shall follow a formal process, and requires the City's written approval. The Contractor shall provide the material to the City at least thirty (30) calendar days before approval is required. The Contractor shall not disseminate material without prior City approval.
  - 2.6.2.2 At no cost to the City, communication materials include, but are not limited to:
    - a) Employee Discount Program website and
    - b) Powerpoint presentations to Benefits Coordinators and participants including scripting.
  - 2.6.2.3 The Contractor shall regularly review, revise and update, where necessary, all information contained on its website that relates to or may be utilized by participants.
  - 2.6.2.4 The Contractor shall provide representation at health fairs, coordinator trainings and other presentations as mutually agreed upon by City and Contractor.
  - 2.6.2.5 Dissemination of Communication Materials - Communication materials may be considered "published" when a final electronic copy is delivered to the City or is accessible on the Employee Discount Program Contractor's website. The Contractor shall provide assistance on all participant requests for locating specific discounts within five (5) business days following a participant's request.
- 2.6.3 **Contractor Website Requirements**
  - 2.6.3.1 The Contractor website shall be in final form and linked as required by the City no later than December 22, 2017.

## **EXHIBIT A**

### **SCOPE OF WORK**

- 2.6.3.2 The Contractor website shall provide real-time data related to the retail outlet and applicable discounts. Participants should be able to access the same information using the website as they would if they were to contact the Contractor customer service representative. Website information shall be up-to-date regarding prices, products, services and applicable discount dates.
- 2.6.3.3 The Contractor's website shall provide self-service transactions for participants to include the ability to:
- a) Access the Employee Discount Program, and research which retail outlets are in the program throughout the entire Plan Year during the Contract term.
  - b) Locate a retail outlet based on specific geographic requirements.
  - c) Lodge a service complaint, and escalate unresolved complaints and to request a telephone call back within 24 hours.
  - d) Search the full website using a key word and/or phrase.
  - e) Each web page should have a "return to home" button, which returns the viewer to the City Home page.
- 2.6.3.4 Contractor Website Technical Specifications – Contractor shall ensure that the website, including any future upgrades/enhancements, accommodates as far as possible the needs of all individuals accessing information, through use of screen-reading technology
- If any future upgrades/enhancements cannot generally accommodate the needs of all individuals due to limitations in adaptive technology, a statement shall be placed on the website directing persons needing assistance to call, e-mail or otherwise contact a Contractor employee for live assistance.
- In addition to the above requirements, Contractor shall adhere to the following website guidelines:
- a) Shall be compatible with a wide spectrum of web browsers, including, but not limited to: Microsoft Internet Explorer 10 and 11, Mozilla Firefox 53.0+, Chrome 58.0.X+, Safari 10.0  
Contractor's web page shall be optimized for mobile devices.
  - b) If providing a PDF document, assure that the document is generally accommodating to the needs of all individuals accessing the file.
  - c) List security and privacy policies on the City-specific Home page.
  - d) Reflect the City logo or appropriate branding on the City-specific Home page as specified by the City for each plan year.
  - e) Each page of the website shall have a link back to the City-specific Home page.
  - f) A link to the Employee Discount Program allowing participants to access the website linked through the City website.
- 2.6.3.5 Contractor shall provide web-based member support tools. These tools shall include at least the following: retail outlet search capabilities, a cost calculator, how to enroll; and how to contact the Contractor.
- 2.6.3.6 Any recycled content of paper products provided to the City should be in accordance with the Federal Environmental Protection Agency's Recycled Product Procurement Guidelines.

## **EXHIBIT A**

### **SCOPE OF WORK**

#### **2.6.4 Data Management Requirements**

- 2.6.4.1 Information and Data Security – The Contractor shall comply with the Privacy Act of 1974, Computer Matching and Privacy Protection Act of 1988, Texas Business and Commerce Code (“TBCC”) and information security standards as outlined in Title 1, Texas Administrative Code §202. Contractor shall comply with the handling and use of personal identifying and sensitive personal information to mitigate the risk of identity theft and fraud.
- 2.6.4.2 The Contractor shall maintain industry-accepted standards and incorporate other state and federal regulations regarding the confidentiality, integrity and availability of personal information. The Contractor agrees to allow the City to view these standards upon request.
- 2.6.4.3 Personal data shall not be kept in a form that permits identification of Participants for any longer than is necessary for the purposes for which the data was collected or for which it is further processed. For example, this can be implemented with linked separate files respectively containing identification information and related sensitive information.
- 2.6.4.4 In processing personal data, the Contractor shall take steps to monitor for breaches of system security and disclosures of personal information. In the event of such a breach, the Contractor shall notify the City within 24 hours from the time the breach is discovered and, upon request of the City, the affected individuals in a timely manner not to exceed 72 hours from the time the breach is discovered; unless requested by law enforcement to withhold notification. The primary contact for notification at the City is the Contract Manager.  
  
In addition to indemnification of City Participants under the Contract, the Contractor shall also agree to provide one year of credit monitoring service free of charge to individuals whose personal data has been disclosed. *The City and Contractor shall mutually agree upon the vendor that will provide the monitoring service.*
- 2.6.4.5 The Contractor shall utilize proven methods of ensuring the control and security of Participant and Program information.
- 2.6.4.6 The Contractor agrees to provide the data specifics to City of Austin users in a consumable format on request.

#### **2.6.5 Participation Continuation Requirement**

Contractor shall, in the event of termination of this contract, continue services to a participant who is actively purchasing a product or service.

#### **2.6.6 System, Reporting, and Financial Analysis Requirements**

- 2.6.6.1 Contractor shall provide quarterly reports, not limited to activity, product/service, customer service, and product return reports. Reports are due within 30 days following the end of the quarter.
- 2.6.6.2 Contractor shall assist the City in the analysis of year end reports and provide a written report explaining any anomalies and outlining recommendations for improvements.

## **EXHIBIT A**

### **SCOPE OF WORK**

#### **2.7 Federal, State and Local Law and related Requirements**

- 2.7.1 The Contractor shall administer the Employee Discount program in strict compliance with applicable federal, state and local laws.
- 2.7.2 City of Austin personnel policies and procedures will govern over the Contractor's administrative procedures.

**EXHIBIT B**  
**City of Austin, Texas**  
**NON-DISCRIMINATION AND NON-RETALIATION CERTIFICATION**

**City of Austin, Texas**

**Equal Employment/Fair Housing Office**

To: City of Austin, Texas,

I hereby certify that our firm complies with the Code of the City of Austin, Section 5-4-2 as reiterated below, and agrees:

- (1) Not to engage in any discriminatory employment practice defined in this chapter.
- (2) To take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without discrimination being practiced against them as defined in this chapter, including affirmative action relative to employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training or any other terms, conditions or privileges of employment.
- (3) To post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Equal Employment/Fair Housing Office setting forth the provisions of this chapter.
- (4) To state in all solicitations or advertisements for employees placed by or on behalf of the Contractor, that all qualified applicants will receive consideration for employment without regard to race, creed, color, religion, national origin, sexual orientation, gender identity, disability, sex or age.
- (5) To obtain a written statement from any labor union or labor organization furnishing labor or service to Contractors in which said union or organization has agreed not to engage in any discriminatory employment practices as defined in this chapter and to take affirmative action to implement policies and provisions of this chapter.
- (6) To cooperate fully with City and the Equal Employment/Fair Housing Office in connection with any investigation or conciliation effort of the Equal Employment/Fair Housing Office to ensure that the purpose of the provisions against discriminatory employment practices are being carried out.
- (7) To require of all subcontractors having 15 or more employees who hold any subcontract providing for the expenditure of \$2,000 or more in connection with any contract with the City subject to the terms of this chapter that they do not engage in any discriminatory employment practice as defined in this chapter

For the purposes of this Offer and any resulting Contract, Contractor adopts the provisions of the City's Minimum Standard Non-Discrimination and Non-Retaliation Policy set forth below.

**City of Austin**  
**Minimum Standard Non-Discrimination and Non-Retaliation in Employment Policy**

As an Equal Employment Opportunity (EEO) employer, the Contractor will conduct its personnel activities in accordance with established federal, state and local EEO laws and regulations.

The Contractor will not discriminate against any applicant or employee based on race, creed, color, national origin, sex, age, religion, veteran status, gender identity, disability, or sexual orientation. This policy covers all aspects of employment, including hiring, placement, upgrading, transfer, demotion, recruitment, recruitment advertising, selection for training and apprenticeship, rates of pay or other forms of compensation, and layoff or termination.

The Contractor agrees to prohibit retaliation, discharge or otherwise discrimination against any employee or applicant for employment who has inquired about, discussed or disclosed their compensation.

Further, employees who experience discrimination, sexual harassment, or another form of harassment should immediately report it to their supervisor. If this is not a suitable avenue for addressing their complaint, employees are advised to contact another member of management or their human resources representative. No employee

shall be discriminated against, harassed, intimidated, nor suffer any reprisal as a result of reporting a violation of this policy. Furthermore, any employee, supervisor, or manager who becomes aware of any such discrimination or harassment should immediately report it to executive management or the human resources office to ensure that such conduct does not continue.

Contractor agrees that to the extent of any inconsistency, omission, or conflict with its current non-discrimination and non-retaliation employment policy, the Contractor has expressly adopted the provisions of the City's Minimum Non-Discrimination Policy contained in Section 5-4-2 of the City Code and set forth above, as the Contractor's Non-Discrimination Policy or as an amendment to such Policy and such provisions are intended to not only supplement the Contractor's policy, but will also supersede the Contractor's policy to the extent of any conflict.

UPON CONTRACT AWARD, THE CONTRACTOR SHALL PROVIDE THE CITY A COPY OF THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICIES ON COMPANY LETTERHEAD, WHICH CONFORMS IN FORM, SCOPE, AND CONTENT TO THE CITY'S MINIMUM NON-DISCRIMINATION AND NON-RETALIATION POLICIES, AS SET FORTH HEREIN, OR THIS NON-DISCRIMINATION AND NON-RETALIATION POLICY, WHICH HAS BEEN ADOPTED BY THE CONTRACTOR FOR ALL PURPOSES WILL BE CONSIDERED THE CONTRACTOR'S NON-DISCRIMINATION AND NON-RETALIATION POLICY WITHOUT THE REQUIREMENT OF A SEPARATE SUBMITTAL.

**Sanctions:**

Our firm understands that non-compliance with Chapter 5-4 and the City's Non-Retaliation Policy may result in sanctions, including termination of the contract and suspension or debarment from participation in future City contracts until deemed compliant with the requirements of Chapter 5-4 and the Non-Retaliation Policy.

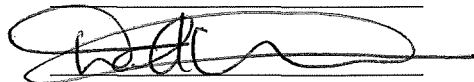
**Term:**

The Contractor agrees that this Section 0800 Non-Discrimination and Non-Retaliation Certificate of the Contractor's separate conforming policy, which the Contractor has executed and filed with the City, will remain in force and effect for one year from the date of filing. The Contractor further agrees that, in consideration of the receipt of continued Contract payment, the Contractor's Non-Discrimination and Non-Retaliation Policy will automatically renew from year-to-year for the term of the underlying Contract.

Dated this 23 day of JANUARY, 2018

CONTRACTOR

Authorized  
Signature



Title

V.P.

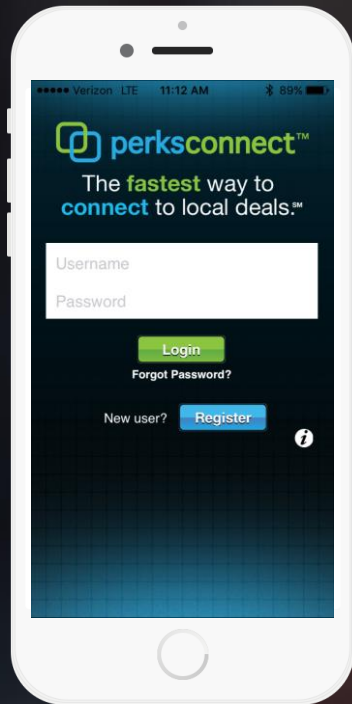
**augeo**  
It's Time to Engage.™

Perks Discounts & Benefits Platform

# SAVINGS AND DISCOUNT SOLUTIONS

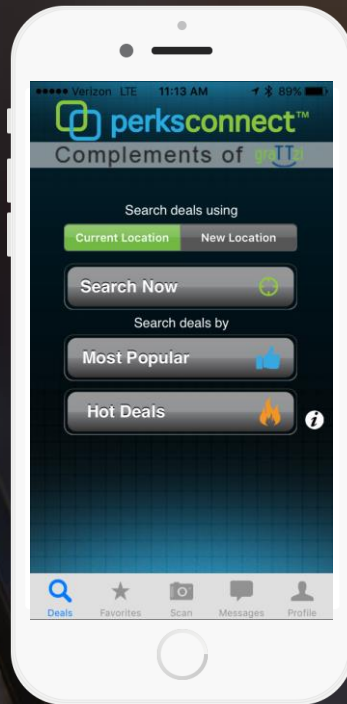


# MOBILE APPLICATION



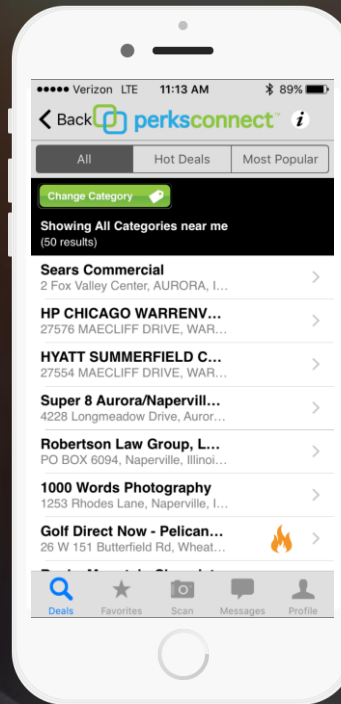
## SIMPLE REGISTRATION

Users quickly register or sign in using unique ID# or email address



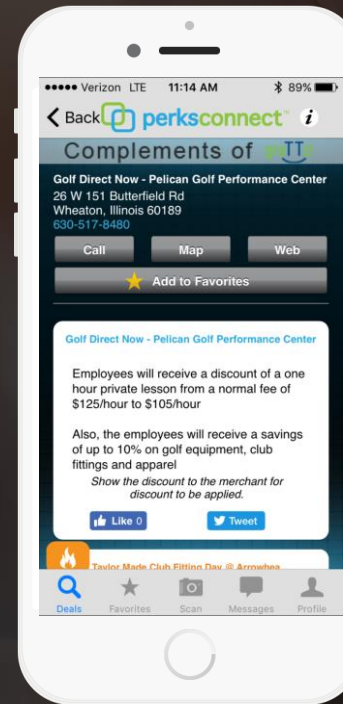
## ONE TOUCH SEARCH

Users search by location (using GPS), most popular, hot deals or favorites



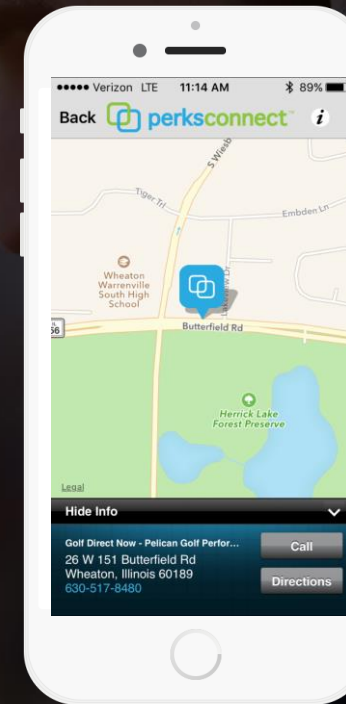
## EASILY FILTER RESULTS

Search results or filter by category and display in order of distance to user



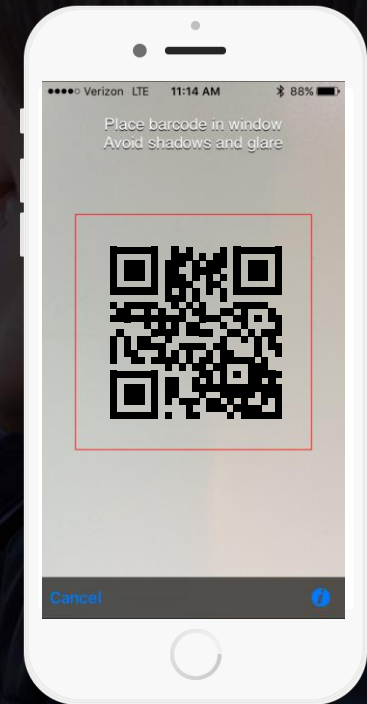
## VIEW OFFERS & MESSAGES

Users view offer details, call, link to website, add to favorites and visit



## MAP LOCATION/DIRECTION S

Users can view merchant location on map with details and directions



## QR CODE SCANNER

Users can scan QR codes at merchant locations to connect or view offers

EXHIBIT C  
AUGEO PROPOSAL

**Augeo Affinity Marketing – PerksConnect Program**  
**Executive Summary and**  
**Frequently Asked Questions**

**Executive Summary**

The PerksConnect program has been in existence since 1988 and became part of Augeo Affinity Marketing when acquired in 2008. For 29 years, organizations have been offering PerksConnect as a benefit to their employees, retirees, customers, alumni and members. We have developed a highly successful record of success and reputation for delivering the highest quality products and services to our clients.

PerksConnect brings many, many ways for members to save. We have our own, direct local merchant network that is comprised of 50,000+ local merchants nationally who offer savings in the range of 15% - 25% every day to our members. Categories of merchants includes, gym memberships, car repairs, orthodontists, restaurants, movie theatres, chiropractors, dry cleaners, furniture, clothing stores, computers and many more places where people shop every day. These discounts are available locally in all 50 states. In addition, as part of our program development for City of Austin, we would conduct concentrated marketing campaigns to secure more new local businesses in and around where your employees are located. Discounts are accessible via our customizable web site, by purchasing discounted gift cards, through our toll-free customer service center, by showing the member PerksConnect Card at local merchants and via our smart phone app where you can search local merchant discounts and simply show your phone to receive the discount.

Other popular categories include discounts on more than 100 gift cards at national retailers such as JC Penney, Sears, TGI Fridays, Applebee's, Chili's, Foot Locker, Bass Pro Shops and Staples to name a few. Our unique platform, mobile app and local merchant acquisition process, ensures that your employees will be accessing a program and services that are tailored to them and widely available in their own community as well as on a national basis.

Our approach is to assign a team to the City of Austin account, right from our initial response and interaction with regard to the RFP response and then deploy this team to ensure a highly successful program for you. The team is led by an experienced account executive with support from assigned account managers. Additionally, our call center, staffed 100% by our own employees and based in Naperville, IL, will be fully trained on your program and available to assist City of Austin participants in any way possible. Our state of the art web site technology and in-house experienced IT staff will design and develop a customized and tailored co-branded web site specific to your program. The web site capabilities include easy search features to locate the best deals, instant mapping to identify local participating merchants, an insurance and benefits section for special discounts on high budget items like car and home insurance, health insurance, vision plans, pet insurance and much more.

Our approach when signing-up local merchants has been updated and enhanced over the past 29 years while remaining fundamentally the same in many ways. We draw on our experience enrolling thousands of merchants annually to ensure a successful program for each and every client. We strategize with our clients to determine the types of businesses and categories of merchandise to pursue, prior to initiating a campaign. Once the target merchant types and products/services categories are refined, we conduct a pro-active vendor acquisition campaign that includes emails, outbound calls, social media and web site support to attract the most relevant and significant discounts, in and around the areas where customers, employees, retirees and members are located. We have 3 call centers in the US staffed with our own employees, with our Long Island office conducting the bulk of the local merchant campaigns.

## EXHIBIT C AUGEO PROPOSAL

Our national vendor program is managed out of our home office in St. Paul, MN, directed by our VP of National Retail and Featured Partner relations. Under his direction, we negotiate directly with the majority of our national retail partners and also work with select vendor partners who offer access to their merchant platform such as Restaurant.com. Once again, we are able to target the types of offerings as well as specific vendors and product categories to ensure a truly tailored program for our clients.

Additionally, any insurance benefits and voluntary benefits offered are subject to a competitive analysis process so that the insurance carrier or program provider is selected based on providing the best overall product, service and value to the targeted client group.

We start by assigning a client management and support team to each new client and program. Given the size, scope and overall importance the City of Austin account would represent, we will ensure that our team is comprised of very experienced and highly talented personnel, starting with our division president, Bob Dow, who founded the Perks operation in 1988. Here is a summary of the overall team:

*Bob Dow, President, PerksConnect - Over the last 29+ years Bob has worked with over 1,000 major corporations, hospitals, universities and alumni associations developing, managing and maintaining their employee benefits platforms. In addition, Bob has trained hundreds of sales professionals and has spoken to groups nationwide about sales, marketing and employee benefits. Since joining the Augeo family in 2008, Bob and his team have developed a best in class platform, utilized by some of the most recognizable companies in the world. Bob earned his BA from SUNY Geneseo where he majored in Political Science with a minor in English. He has been married to Susan for 30 years and has 2 children and is an avid skier and golfer.*

*Brian Zibuda, SVP, Membership and Benefits Programs - Brian joined Augeo in 2008 as part of the PerksCard acquisition. He has 30+ years of experience in sales, marketing and customer service, having worked at 3 of the largest insurance companies in the US. Brian's primary responsibilities include developing new client relationships with a focus on insurance, benefits and discount programs. In addition, Brian supports more than 50 client partnerships in the association and large employer space. Among them are several alumni associations, including his alma mater UCONN. Brian holds a BS in Marketing from the University of CT.*

*Combined, Brian and Bob have been successfully managing member benefit programs for more than 60 years and they will put forth this experience to ensure a highly successful program for City of Austin. Some of the clients they serve include, PepsiCo, Purdue University, Texas A&M University, Bloomberg, State of Alabama, State of Arizona, State of South Carolina, Education MN and Mass Teachers Association just to name a few.*

*In addition to Bob and Brian, a seasoned account manager will be assigned for program implementation, marketing and ongoing support, plus individuals from our marketing, IT and customer service area will serve program and client support roles as well. These individuals included the following team members:*

*Karianne Avilla, VP, Business Operations. She leads and manages customer service and fulfillment teams across all of Augeo's many member benefits, discount programs, loyalty and recognition programs. Karianne started in 1998 with our sister restaurant company, Embers, and has held numerous positions for both companies in the years following. Karianne attended the University of Wisconsin - Milwaukee majoring in International Business with a minor in Spanish.*

## EXHIBIT C AUGEO PROPOSAL

*Mary Sparacia, VP, PerksConnect - Mary joined Augeo in 2008 when Augeo acquired the Perks operation. Her role at Augeo has expanded to oversee the call center and discount network operations team based in Ronkonkoma, New York. Having 20+ years of experience in sales and marketing, Mary has spent the last 12 years creating a culture of success by managing sales teams, operations and resources to deliver profitable growth. Mary supports more than 100 client relationships in the affinity, association and large employer space. Mary attended Long Island University-Southampton, majoring in business administration and also led the Women's soccer team to an ECAC Division II Championship. Mary is married to Anthony for 10 years, has 2 children and is a sports enthusiast.*

*Adam Kristal, Director, Account Management – has been with Augeo since 1998 working in both Marketing/Communications and Account Management. Prior to that time Adam worked in local radio at the Twin Cities sports station, KFAN, producing several shows as well as the pre and post game shows for the Minnesota Vikings football games. Adam then moved to the family business, Embers Restaurants where he directed the media and advertising budgets for both Embers Restaurants and Joey's Seafood & Grill. Adam's current responsibilities include managing several of the larger clients for PerksConnect and works with all the major insurance and benefits carriers. During his free time, Adam coaches his kids basketball and little league baseball teams as well as serving on the board of Golden Valley Little League as the Communications Director and Web Master.*

### **Frequently Asked Questions**

1. Organization:  
Augeo Affinity Insurance Services, Inc. DBA PerksConnect  
2561 Territorial Road  
St. Paul, MN 55114
2. Total number of employees? 250
3. Number of years in business? 18 Years
4. Provide a designated contact person: Brian Zibuda, SVP, bzibuda@perksgroup.net, 617-448-1768
5. Client references:
  - Massachusetts Teachers Association – 110,000 Members, Client Since 2012  
Elizabeth A. Bejoian  
Marketing Manager  
2 Heritage Drive, 8<sup>th</sup> floor  
Quincy, MA 02171-2119  
D: 617.557.6677  
E: [eab@mtabenefits.com](mailto:eab@mtabenefits.com)

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AUGEO PROPOSAL

- University of CT – 220,000 Alumni, Client Since 2003  
Jodi Kaplan  
Senior Director  
2384 Alumni Drive  
Storrs, CT 06269  
860-486-2240  
[jkapan@foundation.uconn.edu](mailto:jkapan@foundation.uconn.edu)
  
- State of Alabama Employees – 40,000 Employees, Client Since 2009  
Brittany Bryan, Personnel Manager  
64 North Union Street, Montgomery, AL 36130  
334-353-3747  
[brittany.bryan@personnel.alabama.gov](mailto:brittany.bryan@personnel.alabama.gov)
  
- Texas A&M University Employees – 14,000 employees, Client Since 2013  
Sarah Tobola, Manager  
1255 TAMU, College Station, TX 77843  
979-862-4956  
[s-tobola@tamu.edu](mailto:s-tobola@tamu.edu)
  
- Montefiore Medical Center – 25,000 Employees, Client Since 2009  
Eileen Montalto, Director  
555 South Broadway, Tarrytown, NY 10591  
914-349-8536  
[emontalt@montefiore.org](mailto:emontalt@montefiore.org)
  
- State of Arizona Employees – 50,000 Employees, Client Since 2012  
Yvette Medina, Director  
100 N 15<sup>th</sup> Avenue, Phoenix, AZ 85007  
602-364-0568  
[yvette.medina@azdoa.gov](mailto:yvette.medina@azdoa.gov)

6. Average response time for consultation?

For phone consultation we are generally available immediately to respond to client questions or can schedule a specific time/date for a conference call or web demo. We also provide our mobile phone numbers for quick access.

7. Products, services and benefits offered?

As part of our proprietary employee discount program that was first developed in 1988, we can include voluntary/supplemental benefits as jointly agreed to. The voluntary products we offer today can be all or any of these listed below in addition to other products City of Austin may wish us to include:

- **Personal Lines Home, Auto and Related Lines**
- **Limited medical and major medical**
- **ID Theft coverage**
- **Dental and Vision**
- **Wide range of life insurance products**
- **Accident**

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AUGEO PROPOSAL

- **Disability**
- **Cancer/critical illness**
- **Long-term care**
- **Legal insurance**
- **Pet Insurance**
- **Employee purchase plans**
- **Financial services**
- **Student loan debt counseling**

8. Experience With Local and State Level Governments

We have extensive experience with local and state level governmental agencies, here is just a partial list:

Suffolk County Municipal Employees

City of Lakeland

Danbury Public Schools

Navajo County

Manatee County

Rutherford County

San Antonio State Hospital

Bayshore Classroom Teachers

Central Texas VA

Columbia VA

District of Columbia Employees

St. Paul Public Schools

Sussex County

Veterans Administration Employees Association:

- Dayton OH
- Pittsburgh, PA
- St. Cloud, MN
- Wilkes-Barre, PA

State Employers:

- Alabama
- Arizona
- Georgia
- Iowa
- North Carolina
- South Carolina

9. Large Clients - Program Success

The Augéo team has extensive experience designing, implementing, managing and supporting discount and benefits programs with the two executives dedicated to the City of Austin program alone having combined nearly 70 years of highly successful experience. Consistent program success with large organizations is proven out by client programs for such organizations as:

Texas A&M University

EXHIBIT C  
AUGEO PROPOSAL

PepsiCo  
Verizon  
Home Depot  
Rutgers  
State of Arizona  
National Society of Collegiate Scholars  
State of Alabama and many, many more.

Our experience consistently achieving high levels of success with and for our clients and their employees and members would be dedicated to ensure an extremely successful program for City of Austin and all participating employees.

Another major advantage we bring is our ability to effectively and efficiently communicate these plans in order to reach the greatest number of employees, as in today's world it can be challenging to have your message heard with so many competing sources for individual's attention. By effectively communicating these plans, more employees become aware of the tremendous benefits they have available and therefore participation is high. One example of how well we do this is our program for PepsiCo employees, available to their 100,000 US employees. We launched the PepsiCo PerksConnect program 3 years ago and we already have more than 80,000 employees activated on the platform, having access to thousands of discounts as well as voluntary insurance benefits. This is the type of success we have proven we can achieve.

Please allow us the opportunity to provide any additional information that would be useful for the City of Austin as you evaluate our program.



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AUGEO PROPOSAL



**HUMAN RESOURCES**  
TEXAS A&M UNIVERSITY

September 21, 2016

Re: **Texas A&M University PerksConnect Discount Program**

Dear PerksConnect Merchant,

Let us first extend the traditional Aggie greeting of "Howdy"! PerksConnect in partnership with Texas A&M University Human Resources would like to sincerely thank you for participating in the **Texas A&M University PerksConnect** program by offering a discount to Texas A&M employees! Your participation supports Texas A&M University by providing value-added benefits to University employees in our pursuit of excellence.

In an effort to increase visibility of your participation and to support your business as much as possible, PerksConnect has designed window decals and stickers you can display on your store front window or other prominent locations within your business.

Enclosed please find a **Texas A&M PerksConnect window decal**. Please place it on your store front window so all Texas A&M employees will know that you are offering a discount and/or courtesy service.

Also enclosed is a **Texas A&M PerksConnect sticker**, please display this in a prominent place as well, such as a bulletin board, office lobby, checkout counter or reception desk.

*Don't forget* to inform all of your employees about the discount you are offering and be sure to familiarize them about the program.

If you have any questions or if you need any additional window decals or stickers, please feel free to contact PerksConnect at 888-836-7686.

Thank you again for your participation and support of the Texas A&M PerksConnect program.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brian Zibuda".

Brian Zibuda  
Vice President & Account Manager  
PerksConnect

A handwritten signature in blue ink, appearing to read "Sarah Tobola".

Sarah Tobola  
Assistant Director, Human Resources  
Texas A&M University





Welcome to the fastest way  
to connect to local deals.



## AVERAGE SAVINGS OF...

DINNER FOR 4 .....	<b>\$40</b>
HOTEL .....	<b>\$35</b>
CAR RENTAL .....	<b>\$20</b>
MOVIE TICKETS .....	<b>\$16</b>
GOLF GREEN FEES .....	<b>\$19</b>

**TOTAL SAVINGS > \$130**

[tamu.perksconnect.com](http://tamu.perksconnect.com)

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REGISTERING IS

**EASY**



## SIGN UP ON THE WEB

- 1 Go to [tamu.perksconnect.com](http://tamu.perksconnect.com)
- 2 Select your area /campus
- 3 Register Now:
  - College Station: Howdy
  - Corpus Christi: TAMUCC
  - San Antonio: TAMUSA
  - International: TAMUI
  - Commerce: TAMUC
- 4 Complete the registration form
- 5 Start saving!

[tamu.perksconnect.com](http://tamu.perksconnect.com)

Savings at Home &  
**ON-THE-GO**



POWERED BY



## LOCALLY

## NATIONALLY

## ON THE GO

## SHOW &amp; SAVE

Just show your downloadable card or PerksConnect app to the merchant to receive your exclusive discount!

## YOUR FAVORITE BRANDS

Save on thousands of national brands as often as you like!

For a complete list visit

**tamu.perksconnect.com.**

## WHEREVER YOU ARE

Download the PerksConnect app to your smart phone to find deals near you – wherever you are!

100'S OF LOCAL MERCHANTS  
THROUGHOUT TEXAS!

## RETAIL



## ENTERTAINMENT, DINING, &amp; TRAVEL



## INSURANCE &amp; BENEFITS



Banking and Financial Services



Pet Insurance



Auto and Home Insurance



Health Insurance

Brands subject to change



## SIGN IN ON THE GO

- 1 Download the app from iTunes App Store or Android Marketplace
- 2 Sign in with your username and password
- 3 Show deals right from your phone and save!

To track down Local and National Discounts and Daily Deals, go to **tamu.perksconnect.com** or use our mobile app.

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AUGEO PROPOSAL  
Savings at Home &  
**ON-THE-GO**



TEXAS A&M  
UNIVERSITY



TEXAS A&M UNIVERSITY  
CORPUS CHRISTI



TEXAS A&M  
UNIVERSITY  
COMMERCE



TEXAS A&M UNIVERSITY  
SAN ANTONIO



POWERED BY



EXHIBIT C  
AUGEO PROPOSAL

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Savings at Home &  
**ON-THE-GO**

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TEXAS A&M  
UNIVERSITY



TEXAS A&M UNIVERSITY  
CORPUS CHRISTI



TEXAS A&M  
UNIVERSITY  
COMMERCE



TEXAS A&M UNIVERSITY  
SAN ANTONIO



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EXHIBIT C  
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Savings at Home &  
**ON-THE-GO**



**TEXAS A&M**  
UNIVERSITY



TEXAS A&M UNIVERSITY  
CORPUS CHRISTI



TEXAS A&M  
UNIVERSITY  
COMMERCE



TEXAS A&M UNIVERSITY  
SAN ANTONIO



POWERED BY





An easy way to save money!

Have you started saving yet?

[www.member.perksconnect.com](http://www.member.perksconnect.com)

**Welcome to PerksConnect - a great way to save money! Texas A&M University has joined with PerksConnect to help you stretch your dollars through this Employee Discount Program. PerksConnect representatives have reached out to local merchants in the Brazos Valley to secure special offers. Please be sure to show your PerksCard to obtain your discount. Enjoy!**

## Getting Started

If you have yet to visit our site, please do so! Getting started is very easy: if you have a user-name and password already, simply log in to search for discounts.

If this is your first time, welcome! Click "Register Now" to get started.

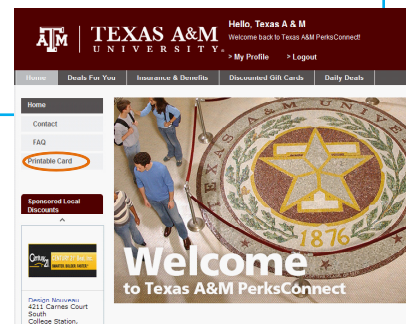
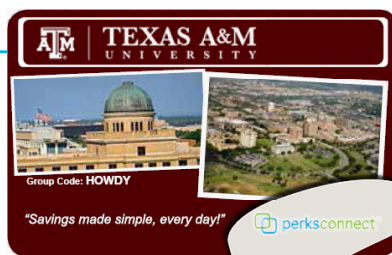
Your group code is: **HOWDY**



## The Printable Card

In an effort to be kind to the environment, we have given you access to a printable, wallet sized card on the website.

You will need to print this out and show it to the local merchants in order to obtain your special discount.



**Please see the following pages for the complete list of local businesses offering a discount to TAMU!**

**The following merchants have donated raffle prizes: Enter for your chance to WIN!**

Great Wolf Lodge- 2 night stay in the family suite \$600.00 Value

Rayford Crossing RV Resort- 2 night stay! \$245.00 Value

Camp Lantern Creek- \$300.00 towards a Camp Session

Austin Zoo- \$100.00 Family of 4 Membership

Stow-A-Way Marina & RV Park-1 night stay in the cottage \$150.00 Value

Innovative Fitness-1 Month All Access Pass \$99.00 Value

## National Partners

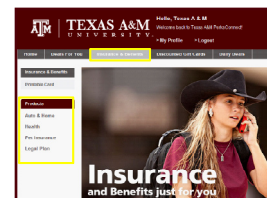
In addition to local discounts, our national partners also have great money saving offers available. Find discounts from 1-800-Flowers, Avis Rental Car, AMC Movie Theatres and much more.

These offers are only available online through the PerksConnect website, so be sure to follow the instructions on how to obtain the discount.

## Insurance

The Texas A&M PerksConnect program also offers discounts on:

- Legal Shield: Pre-Paid Attorney 1-866-288-5229
- Augeo Benefits: comprehensive insurance
- MetLife Auto/Home: 1-877-491-5087
- Travelers Auto/Home: 1-866-360-0590
- VPI Pet Insurance: 1-866-838-3458.



### Do you take requests for merchants?

Yes! If you would like to see a certain type of merchant or service, please click on the "Contact" link, and put the suggestion in the "What's on your mind?" field.

When recommending the merchant please provide as much detail as possible (name, location, phone number, contact person, etc.)





# PEPSICO

Easy to Use Discounts & Promotions

totalrewards



SAVE

LOCALLY

NATIONALLY

ON THE GO



*Login today to see these and thousands of other local and national discounts: <http://pepsicoaddedbenefits.com>*

## LOCALLY

*Find discounts in your area or anywhere you travel in the United States with the PerksConnect website and mobile app.*

Creative Cabinets Interiors	Cortland
Fetch! Pet Care	White Plains
Innovative WindoWear	Groton
Integrative Pilates Studio	Carmel
Ken Busman Attorney at Law	White Plains
Life Cleaners	White Plains
Posh Fitness	White Plains
Rex's Hot Pasta & Italian	Cortland
TragerMedia, "Your Personal	White Plains
Westchester Audio Video	White Plains
Pepe Auto Group	New Rochelle
R Patisserie Cafe & Tea	New Rochelle

1 Hundred 80 Fitness	New York
14th Street Framing Gallery	New York
Fascinating Diamonds	New York
Felice Dee Eyewear	New York
FlatRate Moving	New York
Karate Do Ken Wa Kan	New York
New York House Keeping	New York
New York Knicks 2015-2016	New York
New York Rangers 2015-2016	New York
Organize Wizely	New York
Sadkhin Weight Loss	New York
The Ivy Key Tutoring	New York

## NATIONALLY

*Find these and many more National and PepsiCo Exclusive discounts only on the PerksConnect website.*





# City of Austin

## Human Resources Department

P.O. Box 1088, Austin, TX 78767

August 23, 2017

(Sending Letter via Email)

### **Augeo Affinity Marketing, DBA PerksConnect**

Attn: Brian Zibuda, SVP, Membership and Benefits Program

RE: Request for Clarification to Bid Response and Program Demonstration  
Employee Discount Program

Dear Mr. Zibuda:

Thank you for submitting your Employee Discount Program Bid Response to the City of Austin. Augeo is one of the top bidders.

Clarification to your Bid Response and a Program Demonstration is needed as requested below. This information is necessary for completion of the evaluation process.

Answers to the Clarification Questions are due via email to [anitra.jones@austintexas.gov](mailto:anitra.jones@austintexas.gov) August 24, 2017 at 3:00 p.m.

Your Program Demonstration is scheduled for August 25, 2017 at 3:15 p.m. We are requesting you to present your program via an audio and/or video web demo. Please provide the meeting invite link for the web demo and the materials that show how your product functions via email by 12:00 p.m. on the 25th.

The meeting invite has been sent and the presentation will be in the form of a "Go to Meeting" audio and video web demo. We will walk through the PerksConnect Discount program we developed and manage for Texas A&M University employees and demonstrate how we would develop and tailor a program specific to the City of Austin. The materials that show how our product functions were submitted with our response to the RFP, please let us know if we need to forward any of these materials in advance of the demo.

### **I. Clarification Questions**

1. Confirm Augeo will provide access to benefits through the Employee Discount Program to City participants including: all eligible employees, retirees, surviving dependents, eligible dependents, COBRA participants, Continuation of Coverage for Domestic Partners, and surviving family members of the City and of the Affiliated Employers.  
Yes, all of these individuals will be provided access to the Employee Discount Program we develop for City of Austin.
2. Confirm all discount products and services offered to participants at the onset of the plan year will continue to be offered throughout the plan year. Confirm the City will



EXHIBIT C  
AUGEO PROPOSAL

be notified 60 days prior to products and services no longer being offered.

Yes we will comply with these requirements to the best of our ability as there could be situations where a discount is no longer available that is out of our control and we are not able to provide 60 day notice, such as if a merchant goes out of business. While this rarely happens, it would be a situation where we may not have 60 day notice.

3. Is an eligibility file from The City required to provide the program's discount services and products? Please clarify.

A monthly or quarterly eligibility file would be preferred, as this would be beneficial when securing special discounts in particular for the insurance plans and voluntary benefits. We are open to addressing any concerns about this request should this present any issues.

4. Is a password and ID required for member access? How would a group ID enrollment work? Please clarify.

We have several ways we can design access to the program, including assigning a Group Code for the City account to pre-populating our data base with an eligibility file, or a Single Sign-on option as well. Given the eligible population is not limited to employees but includes dependents and retirees, we believe the Group Code approach would work best. In this case we would assign a separate code to the City of Austin account and when you communicate the new program, you would inform the eligible participants to utilize this Group Code when first accessing the discount site. Once they enter the Group Code, they would complete their own profile and assign their own user name and password for future access. Thereafter, the individual would simply enter their user name and password when accessing the site and would no longer need a Group Code.

5. Does Augeo also offer other accessible means to discounts in addition to the website, such as: discounted gift cards, toll free customer service center, membership card, and/or mobile phone application, at no cost?

Accessible means to the discounts include; the website, discounted gift cards, toll free customer service center, a printable membership card, the ability to print out coupons and a mobile phone application, all at no cost.

6. The City's current contract ends January 31, 2018 and there will be vendor overlap. Confirm the effective date of the Employee Discount Program will be January 1, 2018. Confirm the term of the service agreement will be a three-year initial period with two one-year extension options.

Yes, we confirm that the effective date will be January 1, 2018 with a three-year initial period and two one-year extension options.

7. Confirm Augeo will be fully operational to verify products and services, and conduct transactions, as of 12:01 a.m. on December 28, 2017. Confirm Augeo's website will be in final form and linked as required by the City no later than the first business day of November 2017.

Yes we confirm that we will comply with both of these requirements.



# City of Austin

## Human Resources Department

P.O. Box 1088, Austin, TX 78767

### II. Program Demonstration (25 minutes)

1. The City is requesting Augeo to present a demonstration of the program website, its features, samples of member awareness campaigns, utilization reporting, and customer service support needs.
2. The City is also requesting Augeo to present how you would develop and tailor the program specific to the City of Austin and demonstrate its benefits for City members. The meeting invite has been sent and the presentation will be in the form of a “Go to Meeting” audio and video web demo. We will walk through the PerksConnect Discount program we developed and manage for Texas A&M University employees and demonstrate how we would develop and tailor a program specific to the City of Austin.

### III. Question & Answers (20 minutes)

Anitra Jones  
Benefits Consultant  
COA Human Resources  
512-974-3448



## Exhibit D Products and Services List

The list below fully discloses all of the Contractor's products and services offered, including coverage type, applicable discount and/or savings and additional information that adds value to this Contract. Products can change or be substituted from time to time based on availability.

<b><u>Products/Services</u></b>	<b><u>Coverage Type</u></b>	<b><u>Applicable Discount/Savings</u></b>	<b><u>Shipping and Handling/Return Costs/Taxes</u></b>
<b><u>Insurance Products</u></b>			
Personal Insurance	Auto/home/Renters/Condo/Boat	10-15%	N/A
Critical Illness Insurance	Cancer and specified illnesses	5-10%	N/A
Life Insurance	Term/Whole Life/Guaranteed Issue	5-10%	N/A
Long Term Care Insurance	Nursing Home and In-home Care	5-10%	N/A
Pet Insurance	Medical Coverage	5-10%	N/A
<b><u>Wellness/Health</u></b>			
Gym Memberships	Discounts on Membership	5-10%	N/A
Hearing Aids	Equipment and Wellness Visit	Up to 50%	Specific to each vendor
<b><u>Identity Theft</u></b>			
Monitoring and Restoration	Discount on service	10%-15%	N/A
<b><u>Electronics</u></b>			
Multiple Vendors	Discounted pricing	10%-15%	Specific to each vendor
Employee Purchase	Pay over time	Interest free	Specific to each vendor
<b><u>Consumer Products</u></b>			
Multiple Vendors	Discounted pricing	10%-15%	Specific to each vendor
Employee Purchase	Pay over time	Interest free	Specific to each vendor
<b><u>Miscellaneous</u></b>			
Wide range of online and local discounts, multiple vendors/retailers	Discounted pricing	5%-20%	Specific to each vendor

**EXHIBIT E**  
**HIPAA BUSINESS ASSOCIATE AGREEMENT**

The City of Austin ("City") and Augeo Affinity Insurance Services Inc. ("Contractor") hereby agree that the following terms and conditions are made a part of the Agreement, to go into effect on January 1, 2018 (such contract and this Exhibit are collectively referred to herein as "Contract"), for all purposes. The parties acknowledge that this **EXHIBIT E** is required by the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA").

The parties acknowledge and agree that Contractor, in performing its duties under the Contract, will receive individually identifiable protected health information as defined in Section 14 below (referred to as "Protected Health Information" or "PHI"), from City and from City's contractors or enrollees, and will create, receive or use PHI on the City's behalf. Contractor agrees to maintain the privacy and security of such PHI as required by all applicable laws and regulations, including but not limited to HIPAA and the privacy and security regulations adopted under HIPAA. Without limiting the foregoing, Contractor agrees to the following:

1. **Use of PHI:** Contractor shall not and shall ensure that its directors, officers, employees, contractors, and agents (referred to collectively as "Contractor's Agents") do not use PHI other than as expressly permitted by the Contract, or as required by law. Specifically, Contractor shall use PHI only for the following purposes: receive and process claims for payment for all eligible Plan participants; maintain claims history and patient profiles; maintain current eligibility data on all Plan participants; and for the proper management and administration of its internal business processes that relate to its responsibilities under the Contract, and to fulfill its legal responsibilities. In addition, Contractor agrees that it will not sell PHI, including patient or enrollee lists, nor use any PHI to engage in "marketing," as such term is defined in Section 164.501 of Title 45, U.S. Code of Federal Regulations. The term "marketing" includes, but is not limited to, the distribution of or mailing by Contractor or its affiliates of correspondence to City enrollees or their beneficiaries.
2. **Disclosure of PHI:**
  - a. *Disclosure to Third Parties.* Contractor shall not and shall ensure that Contractor's Agents do not disclose PHI to any other person or entity (other than members of Contractor's workforce as specified in subsection b. of this Section), unless disclosure is required by law, and as approved by City in writing. Any such disclosure shall be made only upon the written agreement of the subcontractor to be bound by the provisions of the Contract, for the express benefit of Contractor and City.

To the extent that Contractor discloses PHI to a third party, Contractor shall obtain, prior to making any disclosure:

    1. reasonable assurances from such third party that PHI will be held confidential as provided in the Contract, and only disclosed as required by law or for the purposes for which it was disclosed to such third party; and
    2. an agreement from such third party to immediately notify Contractor of any breaches of the confidentiality of PHI, to the extent it has obtained knowledge of such breach.
  - b. *Disclosure to Workforce.* Contractor shall not disclose PHI to any member of its workforce unless Contractor has advised such person of Contractor's obligations under the Contract, and of the consequences for such person and for Contractor of violating them. Contractor shall take appropriate disciplinary action against any member of its workforce who uses or discloses PHI in contravention of this Contract.

**EXHIBIT E**  
**HIPAA BUSINESS ASSOCIATE AGREEMENT**

3. **Safeguards:** Contractor shall implement all appropriate safeguards to prevent use or disclosure of PHI other than as permitted by the Contract. Contractor shall provide City with such information concerning the safeguards as City may from time to time request and shall, upon reasonable request, give City access for inspection and copying to Contractor's facilities used for the maintenance and processing of PHI, and to its books, records, practices, policies, and procedures concerning the use and disclosure of PHI. In addition, Contractor and Contractor's Agents shall comply with the minimum necessary requirements set forth in the HIPAA privacy regulations when using or disclosing PHI. Contractor also agrees to mitigate, to the extent possible, any harmful effects of an improper use or disclosure of PHI by Contractor in violation of the requirements of the Contract.
4. **Accounting of Disclosures:**
  - (a) Contractor shall maintain a record of all PHI disclosures made other than for the permitted purposes of the Contract, including the date of disclosure, the name and, if known, the address of the recipient of the PHI, a brief description of the PHI disclosed, and the purposes of the disclosures.
  - (b) Within ten (10) calendar days of notice by City to Contractor that City has received a request for an accounting of disclosures of PHI regarding an individual, Contractor shall make available to City such information as is in Contractor's possession and is required for City to make the accounting.
5. **Reporting of Disclosures of Protected Health Information:** Contractor shall, within five (5) business days (Monday - Friday) of becoming aware of a use or disclosure of PHI in violation of this Contract by Contractor or Contractor Agents, report such disclosure or use in writing to the Employee Benefits Division of the City's Human Resources Department and describe remedial action taken or proposed to be taken with respect to such use or disclosure.
6. **Contracts by Third Parties:** Contractor shall enter into an agreement with any agent or subcontractor that will have access to PHI that is received from, or created or received by Contractor on behalf of City, in which such agent or subcontractor agrees to be bound by the same restrictions, terms, and conditions that apply to Contractor under this Contract.
7. **Disclosure to U.S. Department of Health and Human Services:** Contractor shall make its internal practices, books and records, including policies and procedures, relating to the use and disclosures of PHI available to the Secretary of the United States Department of Health and Human Services, for purposes of determining compliance with HIPAA.
8. **Access by Individuals:** Within ten (10) calendar days of receipt of a request by City, Contractor shall permit any individual whose PHI is maintained by Contractor to have access to and to copy his or her PHI, in the format requested, unless it is not readily producible in such format, in which case it shall be produced in hard copy format. In the event any individual requests access to PHI held by Contractor directly from Contractor, Contractor shall, within two (2) days forward such request to City. Any denial of access to the PHI requested shall be the responsibility of City.
9. **Correction of PHI:** Contractor agrees to make any amendments to PHI that the City directs or agrees to under HIPAA. City shall provide Contractor with written instructions regarding any such amendment.
10. **Amendment:** Upon the enactment of any law or regulation affecting the use or

**EXHIBIT E**  
**HIPAA BUSINESS ASSOCIATE AGREEMENT**

disclosure of PHI, or the publication of any decision of a court of the United States or Texas relating to any such law, or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, City may, by written notice to Contractor, amend this Contract in such manner as City determines necessary to comply with such law or regulation. If Contractor disagrees with any such amendment, it shall so notify City in writing within thirty (30) days of the date of the notice. If the parties are unable to agree on an amendment within thirty (30) days thereafter, either of them may terminate the Contract upon written notice to the other.

11. **Breach:** Without limiting the rights of the parties under Section 8.0 of the Contract, should Contractor breach any of its obligations under this Amendment, City may, at its option:
- a. Exercise any of its rights of access and inspection under Section 3 of this Contract;
  - b. Provide Contractor with notice of the breach and an opportunity to cure such breach within thirty (30) calendar days of the notice of breach. If Contractor fails to cure the breach to City's satisfaction within such cure period, City may terminate the Contract by providing written notice to Contractor. If Contractor cures the breach within the cure period, City may require Contractor to submit to a plan of monitoring and reporting of uses and disclosures of PHI, as City may determine necessary to maintain compliance with this Amendment. Any such monitoring plan shall be made a part of the Contract;
  - c. Immediately terminate the Contract, with or without an opportunity to cure the breach; or
  - d. If termination is not feasible, report the breach to the Secretary of the United States Department of Health and Human Services.

City's remedies under this section and Section 8.0 of the Contract shall be cumulative, and the exercise of any remedy shall not preclude the exercise of any other.

12. **Procedure Upon Termination.**

- (1) Except as provided in paragraph (2) below, upon termination of the Contract, for any reason, Contractor shall return or destroy all PHI received from City, or created or received by Contractor on behalf of City. This provision shall also apply to PHI that is in the possession of subcontractors or agents of Contractor. Contractor shall retain no copies of the PHI.
- (2) In the event that Contractor determines that returning or destroying the PHI is not feasible, Contractor shall provide to City written notification of the conditions that make return or destruction infeasible. Upon agreement by City that return or destruction of PHI is not feasible, Contractor shall extend the protections of this Contract to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Contractor maintains the PHI.

13. **Indemnification.** Contractor shall indemnify and hold harmless City from and against any and all costs, liabilities, losses, damages and expenses (including, but not limited to, reasonable attorneys' fees) resulting from any claim, lawsuit or proceeding brought by a third party against City and arising from or related to a breach or alleged breach by Contractor or Contractor's Agents of the obligations referenced herein. Contractor's obligation to indemnify shall survive the expiration or termination of the Contract.

**EXHIBIT E  
HIPAA BUSINESS ASSOCIATE AGREEMENT**

14. **Definitions for Use in this Addendum:**

- (a) *Individually Identifiable Health Information* shall mean information that is a subset of health information, including demographic information collected from an individual, that:
  - (i) is created or received by a health care provider, health plan, employer, or healthcare clearinghouse; and
  - (ii) relates to the past, present, or future physical or mental health or condition of an individual; the provision of healthcare to an individual; or the past, present, or future payment for the provision of healthcare to an individual; and (a) identifies the individual, or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.
- (b) *Protected Health Information* shall mean Individually Identifiable Health Information that is (i) transmitted by electronic media; (ii) maintained in any medium constituting electronic media; or (iii) transmitted or maintained in any other form or medium.

**"CITY"**

**CITY OF AUSTIN, A Home Rule Municipality**

Signature: Anitra Jones

Printed Name: Anitra Jones

Title: Benefits Consultant/Contract Manager

**"CONTRACTOR"**

**AUGEO AFFINITY INSURANCE SERVICES INC.**

Signature: [Signature]

Printed Name: DANIEL KRISTAL

Title: V.P.

EXHIBIT F  
BROKER OF RECORD LETTER



January 1, 2018

Brian Zibuda  
Augeo Affinity Insurance Services  
2561 Territorial Road  
St Paul, MN 55114

RE: Administrator & Broker of Record


Dear Brian,

Please accept this letter as confirmation that the City of Austin has selected Augeo Affinity Insurance Services, Inc. DBA PerksConnect, for offering and managing the following benefits as part of the PerksConnect discount shopping platform:

1. Critical Illness Insurance
2. Auto and Home Insurance - discount plan with Liberty Mutual and Metlife Auto and Home or similar provider
3. Term Life Insurance plans
4. Long Term Care Insurance
5. Employee Purchase Program – buy now and pay over time, interest free
6. Nationwide Pet Insurance

This appointment is effective on January 1, 2018 and will remain in effect for the term of the PerksConnect agreement.

Sincerely,

  
Signed

Benefits Consultant/Contract Manager  
Title





**HUMAN RESOURCES**  
TEXAS A&M UNIVERSITY

September 21, 2016

**Re: Texas A&M University PerksConnect Discount Program**

Dear PerksConnect Merchant,

Let us first extend the traditional Aggie greeting of "Howdy"! PerksConnect in partnership with Texas A&M University Human Resources would like to sincerely thank you for participating in the **Texas A&M University PerksConnect** program by offering a discount to Texas A&M employees! Your participation supports Texas A&M University by providing value-added benefits to University employees in our pursuit of excellence.

In an effort to increase visibility of your participation and to support your business as much as possible, PerksConnect has designed window decals and stickers you can display on your store front window or other prominent locations within your business.

Enclosed please find a **Texas A&M PerksConnect window decal**. Please place it on your store front window so all Texas A&M employees will know that you are offering a discount and/or courtesy service.

Also enclosed is a **Texas A&M PerksConnect sticker**, please display this in a prominent place as well, such as a bulletin board, office lobby, checkout counter or reception desk.

*Don't forget* to inform all of your employees about the discount you are offering and be sure to familiarize them about the program.

If you have any questions or if you need any additional window decals or stickers, please feel free to contact PerksConnect at 888-836-7686.

Thank you again for your participation and support of the Texas A&M PerksConnect program.

Sincerely,

Brian Zibuda  
Vice President & Account Manager  
PerksConnect

Sarah Tobola  
Assistant Director, Human Resources  
Texas A&M University

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**BENEPLACE WEB-BASED DISCOUNT PLATFORM**  
**BID PROPOSAL**  
Prepared for



August, 8<sup>th</sup> 2017

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