

City of Philadelphia
Economic Opportunity Plan
[#3855 Ellsworth Street Retaining Wall Project]

I. Introduction, Definitions and Goals

A. Chapter 17-1600 of The Philadelphia Code requires the development and implementation of "Economic Opportunity Plan(s)" for certain classes of contracts and covered projects as defined in Section 17-1601. The Economic Opportunity Plan ("Plan") memorializes the successful Seller's best and good faith efforts to provide meaningful and representative opportunities for Minority Business Enterprises ("MBEs"), Woman Business Enterprises ("WBEs") and Disadvantaged Business Enterprises ("DBEs"), Disadvantaged Business Enterprises¹ ("DBEs") (collectively, "M/W/DSBEs") and an appropriately diverse building trades workforce in connection with the contract or covered project.

This Invitation and Bid and any resulting contract are subject to the Plan requirements as described in Section 17-1603 (2). Accordingly, by submission of its Quote, a responsive and responsible Seller makes a legally binding commitment to abide by the provisions of this Plan which include Seller's commitment to exercise its best and good faith efforts throughout the contract term to provide meaningful and representative contracting opportunities for M/W/DSBEs and to employ an appropriately diverse workforce of tradespeople including minority and female persons in all phases of any contract awarded under this Bid.

Seller hereby verifies that all information submitted to the City including without limitation, the Plan and all forms and attachments thereto, are true and correct and is notified that the submission of false information by Seller is subject to the penalties of 18 Pa.C.S. Section 4904 relating to unsworn falsification to authorities. Seller also acknowledges that if it is awarded a contract resulting from this Invitation and Bid, it is a felony in the third degree under 18 Pa.C.S. Section 4107.2 (a)(4) if, in the course of this contract, it fraudulently obtains public moneys reserved for or allocated or available to minority business enterprises or women's business enterprises.

B. For the purposes of this Plan, MBE, WBE, DBE and DSBE shall refer to certified businesses so recognized by the City of Philadelphia through its Office of Economic Opportunity ("OEO"). Only the work or supply effort of firms that are certified as M/W/DSBEs by an OEO approved certifying agency² at the time of bid opening will be eligible to receive credit as a Best and Good Faith Effort. In order to be counted, certified firms must successfully complete and submit to the OEO an application to be included in the OEO Registry which is a list of registered

¹Disadvantaged Business Enterprises ("DBEs") are those socially or economically disadvantaged minority and woman owned businesses certified under 49 C.F.R. Part 26. If Bidder makes solicitation(s) and commitment(s) with a DBE, Seller shall indicate which category, MBE or WBE, is submitted for credit.

²A list of "OEO approved certifying agencies" can be found at www.phila.gov/oao
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M/W/DSBEs maintained by the OEO and available online at www.phila.gov/oao/directory. If seller or seller's subcontractor(s) is certified by an approved certifying agency, a copy of that certification should be furnished with the quote.

C. For this Plan, the term "Best and Good Faith Efforts," the sufficiency of which shall be in the sole determination of the City, means: a Seller's efforts, the scope, intensity and appropriateness of which are designed and performed to foster meaningful and representative opportunities for participation by M/W/DSBEs and an appropriately diverse workforce and to achieve the objectives of Chapter 17-1600. Best and Good Faith Efforts are rebuttably presumed met, when a Seller makes commitments within the M/W/DSBE Participation Ranges established for this Bid and commits to employ a diverse workforce as enumerated herein.

D. Goals

1. M/W/DSBE Participation Ranges

As a benchmark for the Seller's expression of its Best and Good Faith Efforts to provide meaningful and representative opportunities for M/W/DSBEs in the contract, the following participation ranges have been developed. These participation ranges represent, in the absence of discrimination in the solicitation and selection of M/W/DSBEs, the percentage of MBE, WBE and DSBE participation that is reasonably attainable on this contract through the exercise of Seller's Best and Good Faith Efforts. In order to maximize opportunities for as many businesses as possible, a firm that is certified in two or more categories (e.g. MBE and WBE and DSBE or WBE and DSBE) will only be credited toward one participation range as either an MBE or WBE or DSBE. The firm will not be credited toward more than one category. These ranges are based upon an analysis of factors such as the size and scope of the contract and the availability of MBEs, WBEs and DSBEs to perform various elements of the contract.

BID	MBE	WBE	DSBE
3855	8%-10% AND	2%-5%	N/A

2. Workforce Diversity Goals

Seller agrees to exhaust its Best and Good Faith Efforts to employ minority persons, by race and ethnicity, and females in its workforce of apprentices and journeypersons at the following levels³:

- African American Journeypersons – 22% of all journey hours worked across all trades
- Asian Journeypersons – 3% of all journey hours worked across all trades

³ These goals have been informed by the City of Philadelphia Fiscal Year 2015 Annual Disparity Study, Economic Opportunity Plan Employment Composition Analysis.

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Hispanic Journeypersons – 15% of all journey hours worked across all trades
Female Journeypersons – 5% of all journey hours worked across all trades

Minority Apprentices – 50% of all hours worked by all apprentices
Female Apprentices – 5% of all hours worked by all apprentices

The successful Seller will be required to submit to the City, no later than seven (7) days before the starting date of work on any such contract, a Workforce Diversity Goal Plan which shall include specific availability and utilization strategies for meeting the Workforce Diversity goals. The City's Labor Standards Unit shall have the responsibility of administering oversight of these Workforce Diversity Goals including evaluating the sufficiency of the Workforce Diversity Goal Plan, and monitoring the successful Seller's Best and Good Faith Efforts towards realization of the goals throughout the duration of the contract.

II. Seller Responsiveness and Responsibility

A. Seller shall identify all its M/W/DSBE commitments and evidence its agreement to employ minority persons and females at the levels stated herein on the form entitled, "M/W/DSBE Participation and Workforce Commitments." The Seller's Identified commitment to use an M/W/DSBE on this form constitutes a representation by Seller, that the M/W/DSBE is capable of completing the subcontract with its own workforce, and that the Seller has made a legally binding commitment with the firm. The listing of the M/W/DSBE firm by Seller further represents that if Seller is awarded the contract, Seller will subcontract with the listed firm(s) for the work or supply effort described and the dollar/percentage amount(s) set forth on the form. In calculating the percentage of M/W/DSBE participation, Seller shall apply the standard mathematical rules in rounding off numbers. In the event of inconsistency between the dollar and percentage amounts listed on the form, the percentage will govern. Seller is to maintain the M/W/DSBE percentage commitments throughout the term of the contract which shall apply to the total amount of the contract and any additional increases. In the event the Successful Seller's contract is increased by change order and/or modification, or amendment, it shall be the responsibility of the Successful Seller to apply its Best and Good Faith Efforts to the amended amount in order to maintain any participation ranges committed to on the total dollar amount of the contract at the time of contract completion.

1. Commercially Acceptable Function

A Seller that enters into a subcontract with an M/W/DSBE shall be considered to have made a Best and Good Faith Effort in that regard only if its M/W/DSBE subcontractor performs a commercially acceptable function ("CAF"). An M/W/DSBE is considered to perform a CAF when it engages in meaningful work or supply effort that provides for a distinct element of the subcontract (as required by the work to be performed in accordance with Bid specifications), where the distinct element is worthy of the dollar amount of the subcontract and where the

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M/W/DSBE carries out its responsibilities by actually performing, managing and supervising the work involved; M/W/DSBE subcontractors must perform at least twenty percent (20%) of the cost of the subcontract (not including the cost of materials, equipment or supplies incident to the performance of the subcontract) with their own employees.

The City may evaluate the amount of work subcontracted, industry practices and any other relevant factors in determining whether the M/W/DSBE is performing a CAF and in determining the amount of credit the Seller receives towards the participation ranges. For example, a Seller using an M/W/DSBE non-stocking supplier (i.e., a firm that does not manufacture or warehouse the materials or equipment of the general character described by the Bid specifications and required under the contract) to furnish equipment or materials will only receive credit towards the participation ranges for the fees or commissions charged, not the entire value of the equipment or materials furnished.

B. Upon award, letters of intent, quotations, and any other accompanying documents regarding commitments with M/W/DSBEs, including the M/W/DSBE Participation and Workforce Commitments Form, become part of the contract. M/W/DSBE commitments are to be memorialized in a written subcontract agreement and are to be maintained throughout the term of the contract and shall apply to the total contract value (including approved change orders and amendments). Any change in commitment, including but not limited to termination of the subcontract; reduction in the scope of committed work, substitutions for the listed firms, changes or reductions in the listed dollar/percentage amounts, must be pre-approved in writing by OEO. Throughout the term of the contract, Seller is required to continue its Best and Good Faith Efforts.

C. In the event Seller does not identify on the M/W/DSBE Participation and Workforce Commitments Form that it has made M/W/DSBE commitments within the participation ranges established for this Bid and/or does not agree to the employment goals described herein, Seller must complete and submit a *Documentation of Best and Good Faith Efforts Form* ("BGFE Form"), documenting its solicitations and any commitments with M/W/DSBEs, and detailing any efforts made to include M/W/DSBEs in the contract and to employ a diverse workforce. The submission of the BGFE Form is an element of bid responsiveness and failure to include this form may result in the rejection of the Quote. The BGFE Form must include at a minimum, certification and documentary evidence that the following actions were taken:

1. Solicitation directed to both qualified M/W/DSBEs registered with OEO and qualified M/W/DSBEs certified by agencies approved by OEO. Seller must provide a list of all certification directories used for soliciting participation for this Bid. Seller must determine with reasonable certainty if the M/W/DSBEs are interested by taking appropriate steps to follow up on initial solicitations; one time contact, without follow up, is not acceptable; and
2. Seller provided interested M/W/DSBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation; and

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3. Seller negotiated in good faith with interested M/W/DSBEs. A Seller using good business judgment would consider a number of factors in negotiating with subcontractors, including M/W/DSBE subcontractors, and would take a firm's price and capabilities as well as the objectives of the Plan into consideration; and

4. Documentation of the following:

i. Any commitments to use M/W/DSBEs in its quote for subcontracted services and materials supply even when Seller would otherwise prefer to self-perform/supply these items; and

ii. Correspondence between the Seller and any M/W/DSBE(s) related to this Bid; and

iii. Attendance logs and/or records of any scheduled pre-bid meeting; and

5. Certification and evidence that the following actions were taken or documentation of the following, or an explanation why these actions were not taken or why documentation does not exist:

i. Any arms length business assistance provided to interested M/W/DSBEs which may include access/introduction to major manufacturer/suppliers, lines of credit and union halls; and

ii. Solicitation through job fairs, newspapers, periodicals, advertisements and other organizations or media that are owned by M/W/DSBEs and/or focus on M/W/DSBEs; and

iii. Telephone logs of communications related to this Bid; and

iv. Notification of and access to bid documents at the Seller's office or other office locations for open and timely review; and

v. Seller sought assistance from jobs training and employment referral agencies such as the Urban Affairs Coalition, PA CareerLink Philadelphia, Philadelphia OIC and Philadelphia Works to identify candidates for employment and to perform employment outreach; and

vi. Seller published its policy of nondiscrimination in the hiring, retention and promotion of employees; and

vii. Any agreement with an apprenticeship or training program that targets the employment of minority persons, disabled persons and women.

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III. Evaluation of Responsiveness and Responsibility

A. Evaluation and Determination

1. The City, acting through its OEO, will evaluate the responsiveness of the Seller's Plan to these requirements. OEO reserves the right to request further documentation and/or clarifying information at any time prior to the award of the contract which may result in Seller's amendment of its M/W/DSBE Participation and Workforce Commitments Form or BGFE Form.

B. Administrative Reconsideration

1. If the OEO determines that the apparent low Seller has not made sufficient Best and Good Faith Efforts, the Seller will be notified and may file a written appeal with OEO within forty-eight (48) hours of the date of notification. The decision of OEO may be appealed in writing within forty-eight (48) hours of the date of OEO's decision to Chief Operating Officer of the Commerce Department or his designee whose decision shall be final. If it is determined that the apparent low Seller did not make sufficient Best and Good Faith Efforts, its Quote will be rejected.

2. Notwithstanding compliance with the requirements set forth herein, the City reserves the right to reject any or all quotes as deemed in the best interest of the City.

IV. Compliance and Monitoring of Best and Good Faith Efforts

A. A copy of the Successful Seller's Plan, as certified below by OEO, will be filed with the Chief Clerk of Council by the Procurement Department on behalf of the Successful Seller, within fifteen (15) days of the Procurement Department's issuance of the notice of award.

The Successful Seller agrees to cooperate with OEO and the Labor Standards Unit ("LSU") in their compliance monitoring efforts, and to submit, within the time limits prescribed, all documentation which may be requested by OEO and LSU relative to the awarded contract, including the items described below. The Successful Seller must provide as required and maintain the following contract documentation for a period of three (3) years following acceptance of final payment under the contract:

- Copies of signed contracts and purchase orders with M/W/DSBE subcontractors;
- Evidence of payments (cancelled checks, invoices, etc.) to subcontractors and suppliers to verify participation;

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- Telephone logs and correspondence relating to M/W/DSBE commitments.
- Certified Payroll records for all on-site contractors.

B. The Successful Seller is required to use the City's electronic systems for payment verification, B2GNOW Contract Compliance Reporting System and certified payrolls, LCP Tracker.

C. Prompt Payment of M/W/DSBEs:

1. The Successful Seller shall within five (5) business days after receipt of a payment from the City for work performed under the contract, deliver to its M/W/DSBE subcontractors their proportionate share of such payment for work performed (including the supply of materials). In connection with payment of its M/W/DSBE subcontractors, the Successful Seller agrees to fully comply with the City's payment reporting process which may include the use of electronic payment verification systems.
2. Each month of the contract term and at the conclusion of the contract, the Successful Seller shall provide to the OEO documentation reconciling actual dollar amounts paid to M/W/DSBE subcontractors to M/W/DSBE commitments presented in the Plan.

D. Oversight Committee

1. For this project, the City, in its sole discretion, may establish a Project Oversight Committee consisting of representatives from the Seller's company, representatives of the building trades, the construction manager, and the City which may include the Project site's District Councilperson, OEO, and appropriate community organizations ("Committee"). The Committee will meet regularly to provide advice for the purpose of facilitating compliance with the Plan.
2. If a Project Oversight Committee is established, the City will convene meetings of the Committee no later than one (1) month after issuance of the Notice To Proceed.

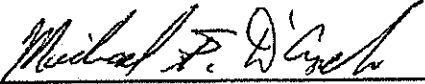
V. Remedies and Penalties for Non-Compliance

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A. The Successful Seller agrees that its compliance with the requirements of the Plan is material to the contract. Any failure to comply with these requirements may constitute a substantial breach of the contract. It is further agreed and understood that in the event the City determines that the Successful Seller hereunder has failed to comply with these requirements the City may, in addition to remedies reserved under Section 17-1605 of The Philadelphia Code, any other rights and remedies the City may have under the contract, or any bond filed in connection therewith or at law or in equity, exercise one or more of the remedies below, which shall be deemed cumulative and concurrent:

- a. Withhold payment(s) or any part thereof until corrective action is taken.
- b. Terminate the contract, in whole or in part.
- c. Suspend/Debar the successful seller from bidding on and/or participating in any future City contracts for a period of up to three (3) years.
- d. Recover as liquidated damages, one percent of the total dollar amount of the contract for each one percent (or fraction thereof) of the commitment shortfall. (NOTE: The "total dollar amount of the contract" shall include approved change orders, amendments and for requirements contracts shall be based on actual quantities ordered by the City.)

The remedies enumerated above are for the sole benefit of the City and City's failure to enforce any provision or the City's indulgence of any non-compliance with any provision hereunder, shall not operate as a waiver of any of the City's rights in connection with any contract resulting from this Invitation and Bid nor shall it give rise to actions by any third parties including identified M/W/DSBE subcontractors. No privity of contract exists between the City and the M/W/DSBE subcontractor identified in any contract resulting from this Invitation and Bid. The City does not intend to give or confer upon any such M/W/DSBE subcontractor(s) any legal rights or remedies in connection with subcontracted services under any law or Executive Order or by any reason of any contract resulting from the Invitation and Bid except such rights or remedies that the M/W/DSBE subcontractor may seek as a private cause of action under any legally binding contract to which it may be a party.

 VICE-PRESIDENT 07/03/18
SIGNATURE OF SELLER AND TITLE⁴ DATE

⁴Seller is required to sign and date, but the City reserves the right to obtain the Successful Seller's signature thereon at any time prior to Plan certification. The Successful Seller will receive from the City a certified copy of its Plan which will be filed by the Procurement Department with the Chief Clerk of City Council within fifteen (15) days of the Bid # 3855 Ellsworth Street Retaining Wall Project
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