

Vendor's Guide

HOW TO DO BUSINESS WITH THE CITY OF PHILADELPHIA



PROCUREMENT DEPARTMENT

This guide is not intended to be a complete description of the regulations, rules, policies and procedures governing the procurement process nor does it replace, supersede or interpret the terms and conditions of any bid. Notwithstanding anything contained in this guide, bidders must strictly adhere to the instructions, conditions of bidding, specifications and contract terms and conditions set forth in each individual bid solicitation to which they respond.

Vendor's Guide How to Do Business With The City of Philadelphia

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Welcome

Welcome to doing business with the City of Philadelphia.

The Procurement Department is the central purchasing and materials management agency for the City of Philadelphia. Our goal is to acquire services, supplies, equipment and construction at the lowest price that meets our needs while ensuring a fair and open process. We try to accomplish this in the best interest of our citizens by using sound procurement practices involved in a competitive bidding system.

The Procurement Department has designed this guide to provide vendors interested in supplying the City with needed goods and services with information about how we do business. We encourage qualified vendors to participate in City bidding opportunities. Please read the guide carefully and, if you have any questions, contact or visit:

City of Philadelphia Procurement Department

Service Unit

Room 170 Municipal Services Building

1401 John F. Kennedy Boulevard

Philadelphia, PA 19102-1685

Tel. 215-686-4720 Fax 215-686-4716

e-mail: bid.info@phila.gov

Website: www.phila.gov/bids

For those vendors interested in Professional Services Contracts please go to **phila.gov/contracts** and click on eContract Philly

Our hours of operation are from 8:30 a.m. to 4:30 p.m. Monday through Friday. We encourage vendors to meet with Procurement Department staff. If you are interested in scheduling a meeting, please call for an appointment.

It is the City of Philadelphia's policy to endeavor to provide access and accommodations to everyone, regardless of disability, upon request. Individuals who need auxiliary aids for effective communication in programs and services must complete an Accommodation Request Form, which is available upon request. If you have a disability and require an accommodation in order to participate in a program or service and/or to complete a form, please contact the Procurement ADA Coordinator at 215-686-6145.

Getting On The Bid List

Bid Announcement List

For some bids, vendors may be directed to a commercial establishment designated in the bid document for copies of plans and specifications. The City of Philadelphia Procurement Department maintains a bid announcement list for most of the products and services that it purchases.

When a vendor completes and sends in a Bid Announcement List Application, the vendor is placed on the announcement list. Registered vendors receive a bid announcement notice for the product or service in the areas of interest indicated. Bids are advertised in the newspaper and can be viewed on the City's website.

Receiving a notice of a bid announcement in time to bid is not guaranteed. All vendors should consult the list of advertised bids published in the local newspapers, posted at the Procurement Department's Customer Service Unit Counter area or on our website: www.phila.gov/bids.

Application Process

The Bid Announcement List Application packet provides vendors with basic information on the commodity groups for the goods and services the City buys. To be placed on the bid announcement list, vendors should contact the Procurement's Customer Service Unit to request an application packet or go to the City's website. Vendors should notify the Customer Service Unit in writing by mail, FAX or e-mail if any information provided in the application changes.

Procurement's Customer Service Unit FAX: 215-686-4716. Email: bid.info@phila.gov

Web Access to Bids Online

Vendors can also learn about advertised bids using the Procurement Department's *Bid Announcement* internet website. The site features a list of upcoming Service, Supply & Equipment and Public Works Bids, RFP's, bid opening dates, and bid postponements. Procurement's web address: www.phila.gov/bids

Web Disclaimer

The City of Philadelphia nor any of its employees assumes any legal liability or responsibility for the accuracy, completeness, reliability, timeliness, or usefulness of any information or data on this web site.

Bids may be modified prior to bid opening by bid addenda. Addenda are included in an updated bid document. It is the sole responsibility of any bidder to ensure that it has any and all addenda. Bidders should contact the City of Philadelphia's Procurement Department's Customer Service desk at 215-686-4718 thru 4721 or via e-mail at bid.info@phila.gov prior to submission of any bid. Bids submitted without executed addenda may be rejected.

Types of Bids

The Procurement Department has several types of bids and methods of making purchases.

- **Advertised Bids** - Formal bids are competitive bids for procurements involving Services, Supplies or Equipment that exceed \$32,000. These types of bids are generally required to be advertised in local newspapers for a specified period before the bid opening
- **Public Works Bids** - These are bids for the construction, reconstruction, alteration, repair or improvement of a public building, property, street, bridge, highway, or sewer
- **Small Order Purchases** - These are informal bids which are for procurements \$32,000 and under. Operating departments can directly solicit for goods and services \$32,000 and under. For these purchases, departments are required to obtain competitive quotations from those vendors that are either registered as a small business with System for Award Management (SAM)) or are registered with our Office of Economic Opportunity/OEO (formerly Minority Business Enterprise Council/MBEC).
- **Concession Bids** - These are bids which offer bidders the opportunity to provide goods and/or services on City property
- **Surplus Property Bids** - Bids offer "as is" surplus City equipment or supplies to the highest bidder

Service, Supply And Equipment Bids

Types of Bids

Bids may be for either a definite quantity or an indefinite quantity. The two types of bids used by the Procurement Department include:

- **Firm Limit Bids-** These are one-time bids for a fixed quantity of goods or services with prescribed delivery schedules.
- **Requirements Bids-** The Procurement Department uses these bids for goods or services needed consistently over a period of time (normally one year). The bids are for anticipated purchases by City agencies. The specifications, terms and conditions and price are generally fixed for the term of the contract, but quantities listed are only estimates and a minimum purchase is rarely guaranteed.

Bid Advertising

When a procurement is expected to exceed \$32,000, the bid is publicly advertised in local newspapers. Competitive bids are publicly posted, and copies are available by visiting, writing or calling the Procurement Department's Customer Service Unit or by printing from the City's website. Vendors on the bid announcement list will receive an announcement for their specified commodities by mail. Bid information is available on the Internet by accessing the Procurement's Bids Page: www.phila.gov/bids. Vendors are encouraged to have the bid number, title and opening date of the invitation when requesting that a paper copy of the bid be mailed. This will help Procurement Department staff expedite requests.

Bidder Qualification

For Services, Supplies and Equipment bids, a determination of bidder responsibility and qualifications is generally made on a bid-by-bid basis after the bids are opened. Depending on the procurement, this may involve a premises inspection, review of past performance or other reviews to determine vendor responsibility.

For a large or complex purchase, the Procurement Department may utilize a pre-qualification process to review bidder qualifications. The process varies depending on the procurement. The pre-qualification process is designed to determine those prospective vendors with the capabilities to meet the needs of the department requesting the bid.

Standard Bid Requirements

Vendors should carefully read all bid invitations as they are held responsible for understanding the contents. The bid invitation contains the specifications for the procurement and the terms and conditions governing the contract to be awarded. The executed bid form becomes the actual contract. Vendors should carefully review each bid before submission to ensure that the bid meets the exact requirements of the specific bid invitation.

Bid Specifications

Each bid invitation contains specifications that define the goods or service being purchased. To the greatest extent possible, the City uses generic specifications to encourage competition.

At times, a bid invitation may list a formal numbered specification, i.e., one that provides precise description and detail as to the characteristics of the product being purchased. When the Procurement Department references a formal numbered specification, no deviation from the specification is permitted.

Unless otherwise specified, if catalogues, model numbers, trade names or cuts are included, they are for reference/informational purposes only. In such an instance, a bidder may offer an article that it certifies to meet or exceed the quality, performance and other essential characteristics of the referenced article. The Procurement Department has the final decision on whether the offering is acceptable.

If in developing a bid, a vendor believes there is a problem with the correctness or fairness of the specification, the vendor should contact Procurement's Customer Service Unit *before* the scheduled bid opening. Vendor questions may result in the bid being modified/corrected prior to the bid opening via an addendum.

Pre-Bid Meetings

Occasionally the bid invitation will specify a pre-bid meeting. Vendors are encouraged to attend these meetings. They provide vendors with an opportunity to discuss provisions of the bid invitation that are unclear and an opportunity to meet with buyers and staff responsible for the procurement. Where the Procurement Department specifies mandatory attendance at the pre-bid meeting, vendors are eligible to bid or receive an award *only* if they attend the meeting.

Addenda and Changes

When the Procurement Department makes a change to the bid invitation, a written addendum is posted at Procurement's Customer Service counter area and on the website. The addendum becomes part of the bid, and vendors must sign it and return it with the bid documents.

Addenda are mailed to registered vendors on the bid mailing list for the goods or services being procured. Vendors who pick up bids from the Unit or from the website should check with the Unit for issued addenda:

Phone: 215-686-4720 **Email:** bid.info@phila.gov

Bid Security

The bid security guarantees a vendor's commitment that if the company is awarded a bid, it will hold the price, terms and conditions firm or be liable for the loss suffered by the City.

For bids \$32,000 and under, no bid security is required.

For bids over \$32,000 and up to \$500,000, vendors may provide bid security either through enrollment in the Master Bid Security Program or by a certified check, bank money order, bank treasurer's check, cashier's check, or U.S. Postal Money Order.

For bids greater than \$500,000 or for demolition services, the Master Bid Security Program does not apply. In this case the bonding requirement must be met by accompanying each bid with a certified check in the amount stated in the bid, or a bond on the form included in the bid package.

Bid security is a key element of bid responsiveness. Bid security requirements and fees vary. Vendors should carefully check the bid for applicable bid security requirements. Vendors who have questions are encouraged to call, write or fax the Procurement Unit prior to the bid opening.

Bid Processing Fee

All bids submitted where the bid total is greater than \$32,000 shall be accompanied by the proper Bid Processing Fee. The fee shall be in the form of a separate check or money order based on the total bid amount.

Bid Duration

All bids are valid for a period of not less than 60 days or as otherwise specified in the Invitation and Bid. If the bid has not been awarded within the specified period of time, the bid shall be valid for subsequent award only upon the express consent of the bidder, with no change to the submitted bid.

Bid Forms

All bid submissions must be submitted on the forms provided and executed in ink or typewritten, including applicable bid bond and Minority, Women and Disabled Owned Disadvantaged Business Enterprise Program forms. Bids submitted in pencil will be rejected.

Samples

Anything to be considered with the bid, including samples and request for approved equals, may be required to be submitted with the bid.

Signatures

The contract page must be complete, including signatures of all appropriate individuals/officers *in ink* and a corporate seal affixed, if required. If a vendor is a corporation, but does not have the signatures of the corporate officers, the vendor must include with the bid a duly certified current corporate resolution evidencing the authority of the individual(s) who executed the bid.

Bid Delivery

All bids must be received by the Procurement Department on or before the exact time and date specified in the bid documents. *Bidders assume all responsibility for delays or problems in delivery.*

Performance Security

The performance security required depends on the type of bid and dollar amount involved.

Service, Supply and Equipment Contracts under \$500,000 - unless otherwise specified in the bid and excluding all demolition contracts, the performance security must be obtained through participation in the City's Master Performance Security Program. This program requires the successful bidder to pay a fee to the City for the purchase of performance security.

The award notification letter provides the details and fees for enrolling in the program. The fee is based on the estimated expenditures under the contract and is non-refundable despite fluctuations in the actual level of purchases made by the City. Vendors must return a check for the specified amount within 10 days after receipt of the award notification letter, or the vendor may lose the award.

For some contracts that the City renews, the vendor must pay a fee for each renewal year in the amount specified in the renewal notice.

Service, Supply and Equipment Contracts over \$500,000 - the vendor must post an individual performance bond. With the award notification letter or promptly thereafter, the City will provide to the successful bidder a performance bond form to be executed by a bonding company approved by the City. The bond form and applicable document preparation fee must be returned within 10 days after receipt of the bond form or the vendor may lose the award.

For contracts that the City renews, the vendor must renew the individual performance bond for each renewal period of the contract in the amount specified in the renewal notice.

Purchase Orders

When the successful vendor meets all of the pre-award/contract conditions (if they apply), the City issues a purchase order that details the actual items being purchased including quantity terms, bid reference, delivery instructions and location.

To ensure that funds are always available to pay its obligations, the City uses a purchase order encumbrance and certification system, with each purchase order budgeted, checked and reviewed before issuance. This means that:

- For contract awards over \$32,000, vendors must satisfy contract compliance requirements, including performance security and insurance before purchase orders can be issued when products or services are requested.

Delivery

Vendors should deliver goods or services according to the terms of the bid, contract and purchase order or other authorizing document. Under no circumstances should vendors make delivery before the receipt of a valid purchase order or an authorizing letter issued directly by the Procurement Department.

Vendors who deliver without authority run the risk that they will not be paid. The only exception to this is when the Procurement Department approves an emergency request. In this situation, the requesting department issues a preliminary Emergency Order. The Procurement Department then issues a formal Emergency Order.

Vendors should coordinate delivery with the City agency to whom they are furnishing goods or services.

Late deliveries will be assessed a penalty and will be deducted from vendor's invoice.

For purchase orders issued against requirements contracts, vendors should not deliver:

- 1) goods or services requested after the ending date specified;
- 2) goods or services not authorized; or
- 3) goods or services with a value in excess of the Purchase Order remaining amount.

The only exception is receipt by the vendor of a valid advice of change to the purchase order, issued and signed by the Procurement Commissioner.

Packing Slips

Vendors must include with the delivery of goods a packing slip that contains the specific information referenced on the purchase order. For some services, a service slip must accompany the provision of services correctly referencing the purchase order information.

Overshipments

Unless the terms and conditions provide otherwise, the City will not accept overshipments. Vendors bear the responsibility for overshipments both in expense and pickup. The City may declare uncollected goods abandoned.

Inspection

Inspection of items or site inspections may be required before the City's acceptance and processing of payment. If the City determines that the items delivered do not meet specifications, the Inspections Unit of the Procurement Department will issue a formal rejection notice to the vendor. Payment will not be made until the questioned items are

repaired or replaced to the City's satisfaction, at which time the rejection notice will be lifted. Failure to replace rejected goods may result in the City declaring the vendor in default of the contract.

Questions should be directed to:

**City of Philadelphia Inspections Officer
Room 100 Municipal Services Building
1401 J. F. K. Blvd.
Philadelphia, PA 19102-1685
Tel. 215-686-4791**

Failure to Perform

Should a vendor fail to perform and/or deliver according to the specifications or within the time frame provided for in the contract, the City will contact the vendor. If there is a continued lack of performance/delivery, the City may declare the vendor in default and may exercise appropriate remedies. In such cases the City will invoice the defaulting vendor for any increase in costs and other damages sustained by the City, and seek full recovery from the defaulting vendor and/or its bonding company.

A defaulted vendor may be debarred from doing business with the City for a period of up to three (3) years, so the vendor is advised to keep the City informed of any problems regarding performance/delivery.

Public Works Purchases

Bid Advertising

All Public Works bids expected to exceed \$32,000 are required to be publicly advertised in local newspapers. Public Works bids may also be advertised in selected trade publications and through local construction trade organizations. For more information on these sources, vendors should contact the Procurement Unit.

Public Works bids are available at the Procurement Unit. There is a non-refundable fee for copies of plans and specifications. Vendors may request that Procurement forward the specifications and plans by sending payment in advance along with their UPS or Fedex number. The request should include, along with the applicable fee, the bid number, title and opening date. For some bids, vendors may be directed to a commercial establishment designated in the bid document for copies of plans and specifications. In addition, information on upcoming bids may be obtained from Procurement's website: www.phila.gov/bids

Unit

Room 170, Municipal Services Building
1401 JFK BLVD
Philadelphia, PA 19102
Phone: 215-686-4720
email: bid.info@phila.gov

Bidder Qualification

Public Works vendors are pre-qualified on a bid-by-bid basis. All prospective bidders are required to complete and submit a "Questionnaire and Financial Statement for Qualifying Bidders" on each Public Works Bid. Completed pre-qualification questionnaires are due on the date specified in the bid and as advertised, generally 14 days preceding the bid opening. *Compliance with the pre-qualification procedure is mandatory.*

The operating department responsible for the bid project, in concert with the Procurement Department, reviews all pre-qualification questionnaires and evaluates each vendor's qualifications/responsibility based on the data submitted in the questionnaire. The questionnaire allows the City to assess the ability, experience, responsibility, record of performance, and financial resources of each prospective bidder.

Bidders are disqualified if:

- The bidder fails to submit a pre-qualification questionnaire within the time specified, with no exceptions permitted;
- The Procurement Department, acting in concert with the operating department, reviews the pre-qualification questionnaire and determines the vendor to be insufficiently qualified or otherwise not responsible to perform the work on a particular bid.

Any bidder found not qualified may appeal and request a hearing within 24 hours after receiving notice of the disqualification. Vendors should submit appeals and requests for hearings directly to the Public Works Division, as instructed in the disqualification notification.

Standard Bid Requirements

Vendors should carefully read all bid invitations, as they are held responsible for understanding the contents. The bid invitation contains the specifications for the procurement and the terms and conditions governing the contract to be awarded. Vendors should carefully review each bid before submission to ensure that the bids meet the exact requirements of the specific bid invitation.

Bid Specifications

Each bid invitation contains specifications that define the scope of work being purchased. Architectural and engineering specifications and drawings form the basis of the Public Works bid specifications.

At times, a bid invitation may list a formal numbered specification, i.e., one that provides precise description and detail as to the characteristics of the product being purchased. When a formal numbered specification is referenced, no deviation from the specification is permitted.

Unless otherwise specified, if catalogues, model numbers, trade names, or cuts are included, they are for reference/informational purposes only. In such an instance a bidder may offer an article that it certifies to be equal in quality, performance and other essential characteristics. The operating department has the final decision on whether the offering is acceptable.

If, in developing a bid, a vendor believes there is a problem with the correctness or fairness of the specification, the vendor should contact the operating department or Procurement Department *before* the scheduled bid opening.

Pre-Bid Meetings

The bid invitation may specify a pre-bid meeting. Vendors are encouraged to attend these meetings. They provide vendors with an opportunity to discuss provisions of the bid invitation that are unclear and an opportunity to meet the staff responsible for the project. When attendance at the pre-bid meeting is specified to be mandatory, vendors are eligible to bid *only* if they attend the meeting.

Addenda and Changes

When the operating department makes a change to the bid invitation, the department issues a written addendum. An addendum is mailed to vendors who have purchased bid specifications from the Procurement Unit. The addendum is also posted at the Procurement Unit.

The addendum becomes part of the bid, and the vendor must sign the acknowledgment of the verification page and return it with the bid documents. Vendors should confirm whether any addenda have been issued before submitting a bid.

Bid Security

The bid security guarantees a vendor's commitment to enter into a contract if the company is awarded a bid. The contract will include all the same terms and conditions, specifications and price quote as included in the bid.

For Public Works bids, the law requires that each bid be accompanied by a bid bond in the amount of 10% of the gross amount of the bid. The Public Works specifications and requirements contain more detailed information on required bid security and bid bonds.

Processing Fee

A non-refundable processing fee check/money order is also required. This fee is based on the gross amount of the bid.

Bid Duration

Generally, unless stated otherwise in the bid, a bid once opened is valid for a period of 60 days from the date of bid opening. If the City fails to award during that time, the bidder is not obligated to the prices submitted and may withdraw the bid.

For certain Public Works bids where the award is delayed by a required approval of another government agency, the sale of bonds, the award of a grant or grants, the City, by law, is permitted to make an award within 120 days from the date of the bid opening.

Bid Forms

All bid proposals must be submitted on the loose proposal forms provided including, but not limited to bid bond and applicable Minority, Women and Disabled Owned Business Enterprise Program participation forms. The bid must be executed in ink or typewritten. Bids submitted in pencil will be rejected.

Signatures

The signature page must be complete, including signatures of all appropriate individuals/officers *in ink* and a corporate seal affixed, if required. If a vendor is a corporation, but does not have the signatures of the corporate officers, the vendor may include with the bid a duly certified current corporate resolution evidencing the authority of the individual(s) who executed the bid.

Bid Delivery

All bids must be received by the Procurement Department on or before the exact time and date specified in the bid documents. *All late bids are disqualified. Bidders assume all responsibility for delays or problems in delivery.*

Performance Guaranty

For Public Works contracts, the successful vendor must post on City forms an individual performance bond and a labor and materialmen's bond equivalent to 100% of the contract value.

With the award notification letter or promptly thereafter, the City will provide to the successful bidder a performance bond form and a labor and materialsmen's bond form to be executed by an approved security company. The bond forms, applicable document preparation fee and certificate of insurance must be returned within 10 days after receipt of the bond form, or the vendor may lose the award.

Failure to Perform

Should a vendor fail to perform according to the specifications or within the time frame provided for in the contract, the City will contact the vendor. If there is a continued lack of performance, the City may declare the vendor in default and call upon the surety company to assume the contract and seek full recovery from the defaulting vendor.

A defaulted vendor may be debarred from doing business with the City for a period of up to three (3) years, so the vendor is advised to keep the City informed of any problems regarding performance/delivery.

Bid Opening & Evaluation

Bid Openings

As indicated in the previous sections, bids received after the date and time stipulated in the bid will not be considered for evaluation.

All bids received prior to the time and date stated in the bid or bid addendum, if applicable, will be opened publicly. Public Works and Service Supply and Equipment Bids are read aloud, upon request.

Bid Information

Vendors may attend a bid opening and request that specific bids be read aloud. Immediately following the bid opening, the bids are not available for review. The bids are turned over to staff for evaluation.

Vendors interested in bid result information may either receive copies of the bid schedule/bid tabulation and other information upon paying applicable photocopying and mailing fees and providing a self-addressed and stamped envelope; or may contact the Procurement Unit.

Phone: 215-686-4720
email: bid.info@phila.gov

Evaluating Bids for Award

Bids are awarded to the lowest responsive, responsible bidder. In determining "responsibility", the City may consider such factors as the bidder's prior experience, integrity, resources, and technical and financial ability to perform. Bids are not simply awarded to the firm that submits the lowest price. If the City finds that a vendor is not a responsible bidder, but would otherwise be eligible for the award, the vendor will be notified and provided an opportunity to appeal the City's determination.

Bids submitted must also be "responsive" to all bid requirements, which include:

- Submitting bid prior to the specified bid opening time;
- Submitting proper bid security;
- Submitting a complete bid including correct signatures;
- Responding to any requirements of M/W/DS-BE participation;
- Responding precisely to all specifications;
- Meeting all requirements of the specifications.

Failure to meet all requirements may lead to disqualification of the bid.

Local Business Entity (LBE) Certification

For those vendors that are certified as an LBE it may be possible to reduce their bid price by five percent (5%) as part of the bid evaluation to determine the lowest bidder. If awarded a contract as a result of the five percent (5%) preference, the local vendor will still be paid based on the actual price stated in the bid document. For additional information please go to our website at : <http://www.phila.gov/bids>.

Split Awards

The City may make awards on a bid on an item-by-item basis. This is usually done where the items are not part of an integrated set and the City can obtain better prices without sacrificing delivery or service. The City may also decide after the bid opening, that it is not going to award a particular item.

Bidders should be aware that, if they make statements in their bid limiting their bid to an "all or nothing" basis, they may cause the loss of an award should the City decide to split an award or delete an item.

Rebids

The City may reject all bids if it deems it in the best interest of the City to do so and cancel the bid entirely. The City may, in its discretion, issue a new bid. Bids may be cancelled because of poor response by the vendor community, because the initial bid reveals a need to alter the bid specifications or because the goods or services are no longer required by the City.

In most rebids or cancellations, the City does not send out a separate notification indicating the action being taken or the reason for it. However, this information is on file at the Procurement Unit.

Bidder Disqualification

Vendors may be disqualified from doing business with the City on a bid-by-bid basis and have their names removed from the mailing list for several reasons, including but not limited to, the following:

- failing to deliver or comply with bid specifications, contract terms and conditions;
- failing to deliver or perform in a timely manner;
- offering any fee, compensation, commission, gift, favor, or gratuity to any City employee exercising any procurement responsibility — includes any discount or privilege not available to all City employees;
- failing to disclose a conflict of interest;
- having a criminal offense conviction involving public contracting;
- failing to timely pay City, State or Federal taxes;
- default on any City Contract.

Bidder Debarment

The City needs to insure that vendors are capable of performing in accordance with City contract requirements, are otherwise responsible, and the contracting process is free of waste and abuse. To insure this, the City has established a formal debarment regulation with the purpose of establishing a procedure to identify those vendors who have exhibited poor performance or have engaged in other activities that show them to be in violation of City policies and procedures. When there are sufficient grounds, the City may suspend a vendor from bidding for up to six (6) months while it investigates to determine if there is sufficient cause for debarment. If the City finds there are sufficient grounds for sanctions, the City may debar a vendor from bidding for a maximum of three (3) years. All suspensions and debarments are considered on a case-by-case basis and are subject to standard appeal procedures in accordance with City regulations.

Responding to A Bid

Postage

All bids should be weighed by the bidder and postage verified before mailing. The U.S. Postal Service does not deliver or return unstamped mail. The Procurement Department does not accept postage due deliveries.

Electronic Submissions

Due to the City of Philadelphia's Home Rule Charter, the Procurement Department can not accept electronic bid submissions.

Recycled Materials

City Ordinance encourages the City to purchase goods that use recycled materials where they are available and cost-effective. Where the City specifically requires recycled materials in the contract, it will be stated in the bid. Vendors bidding products made with recycled materials should notify the appropriate City officials prior to bid opening.

Bid Errors (Public Works Only)

If a vendor discovers an error in its Public Works bid, the bidder must notify the Procurement Department in writing within two business days after the bid opening. For Public Works bids, the bidder must also notify the appropriate operating department. Bids may not be withdrawn after the bid opening because of a mistake except as provided under Pennsylvania law for Public Works contracts.

Bid Withdrawals

Except as otherwise provided under Pennsylvania law, no bid, once opened, may be withdrawn. In the event that a bidder who is not legally released from its bid fails to execute a contract or furnish the required bonds/insurance, the City may take one or more of the following actions:

- confiscate the bid security;
- remove the firm's name from the City's bid mailing list;
- declare the firm to be a "non-responsible bidder" and disqualify it from doing business with the City;
- exercise any other rights the City may have;
- collect damages from any outstanding invoices held by the City.

Contract Renewals

A contract renewal may take place if there is a provision in the bid that permits the City to renew the contract at the City's option. If the City exercises this option, the vendor must renew the contract according to the contract terms.

Because of some unforeseen problem, the City may request that a vendor extend the contract and price under current terms and conditions. In this situation, if a contract extension amendment is requested, the vendor has the option to extend or allow the contract to terminate.

Contract Awards

Contract Award Notification

For all bids greater than \$32,000 issued by the Procurement Department, the successful vendor(s) will receive an award notification letter. This letter provides notice of a pending contract/purchase and indicates certain contingency requirements that the vendor must satisfy within the designated time-frame, i.e. Insurance Certificates and Performance Security. The award notification letter is *not* a notice to proceed. Vendors should *not* deliver any goods or proceed with any work until they have received a valid purchase order or for Public Works contracts, a Notice to Proceed.

Performance Security

The performance security ensures that the successful bidder will perform according to all contract requirements. The performance security required depends on the type of bid and dollar amount involved. See the applicable performance security descriptions in the Service, Supply and Equipment Purchases and Public Works Purchases Sections.

Insurance Certificates

The vendor must provide insurance certificates for all bids. The City must be named as the additional insured for automobile, general liability and workman's compensation. No contract will be executed nor purchase order issued until all required insurance certificates, in the proper form, are received.

Contract Execution

Failure to submit the required bonds or payment of the required bond fees or failure to complete any of the other contract execution requirements will result in revocation of the award. In such cases, the City has the right to obtain the goods or services from another vendor, use the bid security to offset any resulting increase in costs or other damages, and otherwise seek full recovery of damages.

Vendor Payment

Invoices

Vendors should submit an invoice for payment to the receiving department *after* the delivery or service has been completed. The invoice should correctly reference the purchase order number, the same vendor name as listed on the contract, address, vendor ID number, the quantity and type of item or service, the price, and have an invoice number. The unit of purchase and price on the invoice should agree with the unit and price cited on the purchase order.

Vendors should submit the original and two (2) copies of the invoice to the receiving department and address listed on the purchase order.

Payment

The City attempts to process payments in a timely manner, generally within 45 - 60 days following acceptance of the goods or services. Delays can occur because of incomplete or inaccurate invoicing information. Common causes for payment delays include:

- purchase order number is missing;
- mathematical errors;
- invoice not sent to "Invoice To" address on purchase order;
- unit of measure and/or unit price does not agree with the purchase order;
- other discrepancies between the invoice and purchase order.

The Procurement Department acts as the contracting agent for City departments. Receiving and accepting products and services, and promptly paying vendors are the responsibility of the receiving City department. Vendors should bring any problems concerning payment to the attention of the appropriate City receiving department. The name and number of the contact person can generally be found on the purchase order. Vendors not current on their Philadelphia city taxes, including city wage, net profit, business income & receipts, and use and occupancy, will have their payments held by the City Controller's Office until their obligations are met. If all necessary paperwork has been submitted to the department and questions remain, vendors should contact:

City of Philadelphia
Accounting Verification
Room 1340 Municipal Services Building
1401 J. F. K. Blvd.
Philadelphia, PA 19102
Tel. 215-686-6169

Electronic Payment - ACH Vendor Enrollment

The City offers the option of receiving payments electronically rather than by check. This will allow for more timely receipt of payments and provide the ability to better manage vendor accounts receivable.

Vendors interested in receiving payments electronically must complete an ACH Vendor Enrollment and Change Form and fax it to the attention of Accounting Verification, at 215-686-6192 or by mailing it to:

ACH ENROLLMENT
Finance Department
1401 JFK BLVC., Room 1340
Phila, PA 19102

This form can be downloaded from www.phila.gov/bids

Summary of Minority, Woman and Disabled Owned Business Enterprise Programs

Under Mayoral Executive Order **03-12** and various Federal Regulations, the City of Philadelphia promotes the economic development of Minority, Woman and Disabled Business Enterprises (M/W/DS-BEs). The City's Office of Economic Opportunity/OEO (formerly Minority Business Enterprise Council/MBEC) implements programs that allow M/W/DSBEs equal access and opportunity to compete for and secure contracts with the City of Philadelphia.

Questions regarding the registry of Certified Minority, Women and Disabled Businesses or concerning OEO's Bidders' Guidelines Relating to Executive Order **03-12** should be directed to:

**City of Philadelphia
Office of Economic Opportunity
Municipal Services Building
1515 Arch Street, 12th floor
Philadelphia, PA 19102
Tel. 215 683-2000/Fax 215 683-2085**

Registry

The City of Philadelphia now has a registry to capture Minority, Women and Disabled Businesses that are certified by other certifying agencies who want to do business with the City.

Vendors interested in participating on a City contract as a "certified" *Minority, Woman or Disabled Business Enterprise* must apply to the agencies on the OEO website to get the information as to how to be certified. To be certified, the firm must be a small business and must be owned and controlled by minority, women and disabled business persons. The definitions for minority, women and disabled persons include:

MBE - (Minority) A person who is African American, Asian American, Hispanic/Latino American or Native American.

WBE - (Woman) A person of the female gender.

DSBE - (Disabled) A person who has a physical or mental impairment which substantially limits one or more of his or her major life activities.

OEO maintains a Registry of Firms Certified. They are listed alphabetically and by type of service or product. This Registry is available through OEO, or it could be accessed by going directly to their website at www.phila.gov/oeo

Participation

Under Mayoral Executive Order 03-12, bids are subject to the City's antidiscrimination policy. Bidders are encouraged to solicit quotes from and establish contracting commitments with M/W/DSBEs on an equitable basis. In furtherance of Executive Order 03-12, participation ranges for M/W/DSBEs are included on certain Public Works bids and Service, Supply and Equipment bids. Only firms registered with OEO prior to the bid opening date will be credited toward the participation range(s). All OEO registered firms must consent to be named in a contract.

For complete definitions, requirements and forms for M/W/DSBE contracting and subcontracting, vendors should refer to the bid package's "Anti-Discrimination Policy". Since failure to submit the required information on M/W/DSBE participation can result in rejection of the bid as nonresponsive, vendors are encouraged to contact OEO with any questions regarding participation and/or registry information.

Other Public Procurement Opportunities

Individual City departments are responsible for acquiring professional or consulting services and small purchases. Vendors interested in pursuing these opportunities should contact the Business/Administrative Officer for the specific departments that they feel can best use their services.

Other bid opportunities may exist in the following organizations. Vendors with an interest in these organizations should contact them directly for more information.

**Philadelphia Gas Works
Procurement Department
215-684-6179**

**Philadelphia Parking Authority
Purchasing & Public Bid Department
215-683-9669 (Purchasing Dept)
215-683-9665 (Public Bid Dept)**

**Philadelphia Housing Authority
Contracts and Procurement Department
215-684-3160**

**School District of Philadelphia
Office of Procurement
215-400-4380
www.phila.k12.pa.us**

**Redevelopment Authority
City of Philadelphia
Office of the Executive Director
215-209-8688**

Thank You for Your Interest in Doing Business with the City of Philadelphia

**City of Philadelphia
Unit
Room 170 Municipal Services Building
1401 J. F. K. Boulevard
Philadelphia, PA 19102-1685
Tel. 215-686-4720 Fax 215-686-4716
email:bid.info@phila.gov**

**Procurement Department
City of Philadelphia
1401 J. F. K. Boulevard
Philadelphia, PA 19102-1685**