



City of Tacoma, WA

TACOMA POWER

REQUEST FOR BIDS

SMART WATER HEATER CONTROLLERS (SWHC)

SPECIFICATION NO. PM20-0304N



City of Tacoma
Tacoma Power/Power Management

REQUEST FOR BIDS PM20-0304N
Smart Water Heater Controllers (SWHC)

Submittal Deadline: 11:00 a.m., Pacific Time, Monday, November 23, 2020

Submittal Delivery: Submittals will be received as follows:

| | |
|--|--|
| In Person: City of Tacoma Procurement & Payables Division Tacoma Public Utilities Administration Building North Guard House (east side of main building) 3628 S 35 th Street Tacoma, WA 98409 | By Email: bids@cityoftacoma.org Maximum file size: 35 MB. Multiple emails may be sent for each submittal |
|--|--|

Submittal Opening: Submittals in response to a RFB will be opened by a Purchasing representative. After 1:00 p.m. the day of bid opening, the names of vendors submitting proposals are posted to the website for public viewing.

Solicitation Documents: An electronic copy of the complete solicitation documents may be viewed and obtained by accessing the City of Tacoma Purchasing website at www.TacomaPurchasing.org.

- [Register for the Bid Holders List](#) to receive notices of addenda, questions and answers and related updates.
- Click here to see a [list of vendors registered for this solicitation](#).

Pre-Proposal Meeting: A pre-proposal meeting will not be held.

Project Scope: Tacoma Public Utilities is soliciting bids to establish one or more contracts with qualified vendors to fulfill the City's needs for smart water heater controllers (SWHC).

Estimate: \$55,000.00

Paid Leave and Minimum Wage: Effective February 1, 2016, the City of Tacoma requires all employers to provide paid leave and minimum wages, as set forth in Title 18 of the Tacoma Municipal Code. For more information visit www.cityoftacoma.org/employmentstandards.

Americans with Disabilities Act (ADA Information): The City of Tacoma, in accordance with Section 504 of the Rehabilitation Act (Section 504) and the Americans with Disabilities Act (ADA), commits to nondiscrimination on the basis of disability, in all of its programs and activities. Specification materials can be made available in an alternate format by emailing Gail Himes at ghimes@cityoftacoma.org, or by calling her collect at 253-591-5785.

The following is applicable to Federal Aid Projects:

The City of Tacoma in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, subtitle A, Office of the Secretary, part 21, nondiscrimination in federally assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises as defined at 49 CFR, part 26, will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin, or sex in consideration for an award.

Additional Information: Requests for information regarding the specifications may be obtained by contacting Erica Pierce by email to epierce@cityoftacoma.org

Protest Policy: City of Tacoma protest policy, located at www.tacomapurchasing.org, specifies procedures for protests submitted prior to and after submittal deadline.



Meeting sites are accessible to persons with disabilities. Reasonable accommodations for persons with disabilities can be arranged with 48 hours advance notice by calling 253-502-8468.

SUBMITTAL CHECK LIST

This checklist identifies items to be included with your submittal. Any submittal received without these required items may be deemed non-responsive and not be considered for award.

Submittals must be received by the City of Tacoma Purchasing Division by the date and time specified in the Request for Bid page.


| | |
|--|---|
| The following items make up your submittal package: |  |
| Content To Be Submitted (Section 8) | |
| Signature Page from Appendix A Exhibits | |
| Price Proposal Form (Appendix B) | |
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SECTION 1 – PROJECT INFORMATION OVERVIEW AND REQUIREMENTS

1. PROJECT OVERVIEW

The City of Tacoma (City) / Tacoma Public Utilities (TPU) is soliciting bids to establish one or more contracts with qualified vendors to fulfill the City's needs for smart water heater controllers (SWHC). Contract(s) will be awarded to the lowest responsive and responsible bidder(s) based on price, product quality and availability.

2. MINIMUM REQUIREMENTS

SWHCs will be used by Tacoma Power's Energy Research and Development (ER&D) group to evaluate customer acceptance and efficacy of a SWHC demand response program. ER&D expects to order up to 250 SWHCs; up to 25 in Q1 of 2021 plus up to 225 in Q4 of 2021 for a maximum of 250. Additionally, the TPU will need access to a vendor supplied online portal to control and report data from the SWHCs for study duration (approximately two years after all products are installed at customer homes). This is an estimated quantity only and does not guarantee a specific volume or dollar amount.

Vendors may be required to submit samples of their product for evaluation prior to award. Samples may include the physical product, reports, and/or access to a sample of the SWHC portal. Products that fail to meet City standards or any of the specifications herein may be rejected. Should a contracted vendor fail to meet quality and/or availability requirements contained in these specifications, the City may move to terminate the contract with 10 days written notice.

3. INQUIRIES TO RFB

No Pre-bid conference is being held; however, questions and request for clarifications of the specifications may be submitted in writing by 8am on November 16th, 2020, to Erica Pierce, Purchasing Division, via email to epierce@cityoftacoma.org. No further questions will be accepted after this date and time. The City will not be responsible for unsuccessful submittal of questions.

Written answers to all questions submitted will be posted on the Purchasing website at www.TacomaPurchasing.org on or about November 18th, 2020. The City reserves the discretion to group similar questions to provide a single answer or not to respond when the requested information is confidential. The answers are not typically considered an addendum.

4. RFB REVISIONS

In the event it becomes necessary to revise any part of this RFB, addenda will be issues to all registered planholders and posted on the Purchasing website. Answers in response to RFB inquiries (see Section 1.C. above) are not typically provided as an addendum.

5. CALENDAR OF EVENTS

The anticipated schedule of events concerning this RFB is as follows:

| | |
|------------------------|-------------------|
| Publish and issue RFB | November 9, 2020 |
| Pre-Proposal Questions | November 16, 2020 |
| Response to Questions | November 18, 2020 |
| Submittal Due Date | November 23, 2020 |
| Submittals evaluated | November 30, 2020 |
| Award recommendation | December 7, 2020 |

This is a tentative schedule only and may be altered at the sole discretion of the City.

6. CONTRACT TERM

The initial contract shall be for a period of two-years from date of award, with the option to extend up to three additional one-year periods upon mutual consent of both parties and subject to the price increase/decrease provisions below.

The following are post award contract documents:

- Purchase Order or Contract
- Certificate of Insurance

7. PROPOSAL FORMAT

Responses are accepted in digital format at this time (limit 35 MB per email – multiple emails per submittal are allowed) and via in-person delivery at the address below.

City of Tacoma Procurement & Payables Division Ref: PM20-0304N
Tacoma Public Utilities Administration Building North
Guard House (east side of main building)
3628 S 35th Street
Tacoma, WA 9840

8. CONFIDENTIAL OR PROPRIETARY INFORMATION

Information that is confidential or proprietary must be clearly marked on each affected page. Further, an index must be provided indicating the affected page number(s) and location(s) of all such identified material. Information not included in said index will not be reviewed for confidentiality or as proprietary before release. See section 1.06 of the Standard Terms and Conditions.

9. CONTENT TO BE SUBMITTED

- 9.1** The City cannot legally accept a substantial deviation from the Specification. Bids/Proposals containing any substantial deviation may be rejected as non-responsive. It is agreed that you will perform according to the highest standard indicated
- 9.2** Submit an example of the data output available from the utility portal showing all fields available, please include a data key.
- 9.3** Describe how the product protects customer comfort during load shifting events.
- 9.4** Product installation instructions (either reference publicly available YouTube video or written documentation, preferably a PDF)
- 9.5** Provide company information to include years in business, number of employees, or any other relevant information. (Financial information not required)
- 9.6** Only bidders and manufacturers experienced in this type of work and with a record of successful completion of jobs of similar scope over a period of two (2) years or more will be considered. A minimum of two (2) references within the past five (5) years is required. (Record of Prior Contracts – Appendix B)
- 9.7** Specification Sheet of Product
- 9.8** Written warranty or proposed guarantee information
- 9.9** Required Forms
Signature Page from Appendix A exhibits
Price Proposal Form (Appendix B)
Signature Page (Appendix B)
Record of Prior Contracts (Appendix B)

10. DELIVERY

Delivery shall be to the City of Tacoma, 3628 South 35th Street, Tacoma, WA, 98409.

Each vendor will be required to submit a delivery timeline they can commit to. Purchase order delivery dates will reflect this timeline. In the event a purchase order deliver date is not met, the City reserves the right to purchase these products elsewhere if they are in a time constraint. If constant late deliveries occur, the City may terminate the contract.

Hours of operation shall be Monday through Friday, 8:00 a.m. to 3:00 p.m., excluding legal holidays, as referred to in the Standard Terms and Conditions or as otherwise approved by the City.

11. AWARD

Award will be made to the lowest responsive, responsible bidder(s). Bidders are to provide a unit and total price for the line items they are bidding.

The line items will be added up and compared amongst each bidder, including any payment discount terms offered twenty (20) days or more. The City may also take into consideration all other criteria for determining award, including evaluation factors set forth in Municipal Code Section 1.06.262.

All other elements or factors, whether or not specifically provided for in this specification, which would affect the final cost to and the benefits to be derived by the City will be considered in determining the award of a purchase order. The final award decision will be based on the best interests of the City.

The City reserves the right to give a purchase order to the lowest responsible bidder(s) whose bid(s) will be the most advantageous to the City, price and any other factors considered, as described in Paragraph 1.20 of the Standard Terms and Conditions.

12. WARRANTY

Parts: Vendor will warrant SWHC for the duration of the study (2021-2024). In the event of failure the vendor will supply a replacement SWHC at no additional charge.

13. INSPECTION

All goods are subject to final inspection and acceptance by the City. If any inspection fails, the vendor shall be required to make arrangements to exchange the goods at their own expense and replace it in a timely manner acceptable to the City.

Material failing to meet the requirements of this contract will be held at Vendor's risk and may be returned to Vendor. If so returned, the cost of transportation, unpacking, inspection, repackaging, reshipping, or other like expenses are the responsibility of the Vendor.

14. COMPLIANCE WITH SPECIFICATIONS

All products shall be new and unused. Any product that does not comply with any part of these technical specifications shall be rejected and the vendor shall, at its own expense, including shipping, replace the item

15. MATERIALS AND WORKMANSHIP

The successful bidder shall be required to furnish all materials necessary to perform contractual requirements. Materials and workmanship for this contract shall conform to all codes, regulations and requirements for such specifications contained herein and the normal uses for which intended. Material shall be manufactured in accordance with the best commercial practices and standards for this type of goods. All literature and products must be packaged and labeled to sell in the United States

16. DAMAGED GOODS

The vendor shall replace any orders that are damaged in transit. They will be notified by the City and they must arrange to have damaged orders picked up within 48 hours' notice (excluding weekends and holidays). Vendor will pay all expenses incurred to ship damaged goods back to manufacturer or their own warehouse

17. UPDATED PRODUCTS

During the contract term, if items on the contract are being replaced and updated by the manufacturer, the supplier may submit the manufacturer information, technical specifications and pricing to the City for consideration. The supplier shall provide this updated product information to the City as soon as it becomes available by the manufacturer. The City will work with Purchasing Division to review the information submitted and either accept or reject the product. If the replacement product is not approved, the vendor will be notified and the current item on the contract will be removed. Because of fixed pricing, the replacement item must be offered at the same price

18. PRODUCT DISCONTINUED

During the contract term, if the supplier discontinues carrying any of the contracted items, they must notify the City and the Purchasing office within 30 calendar days. The City reserves the right to seek other suppliers to supply those items or purchase directly from the manufacturer or their designated distributor until the contract term ends

19. PRICING

Unit or lump sum prices shall be all inclusive and bid as FOB destination, freight pre-paid and allowed. Surcharges of any type will not be allowed. Pricing shall be fixed throughout the term of the contract. The bid pricing shall include costs of bid preparation and servicing of the account.

20. PRICE INCREASES/DECREASES

Prices are to remain firm for the contract period.

SECTION 2 – SCOPE OF WORK

TECHNICAL REQUIREMENTS

Product Installation: SWHC must be installable by a single electrician in under an hour with no plumbing work, tank penetration, or tank drainage. SWHC must use existing 240 volt wiring and not require an additional power source.

Functionality: SWHC must be connected to a vendor provided cloud service via a cellular connection. The cloud service/hosting must provide a utility dashboard that includes the ability to organize participants into various cohorts (e.g. test, control, and treatment groups), report connectivity of water heater controllers, and access data outlined in below in 19.3. The SWHC will allow Tacoma Power to run load up, load shifting, shut off, and frequency response events for specific cohorts.

Load up – Heat water heater tanks to customer's maximum set point.

Load shifting – Multi-hour load reduction of cohort kW that maintains customer comfort.

Shut off – Full water heater shutdown of all cohort members to shed maximum kW.

Frequency Response – Sub-second response times to frequency deviations.

Data Reporting: Each SWHC will report data at regular 15 minute intervals (at a minimum – greater granularity is preferred). Intervals should be aligned with a standard central clock (e.g. all water heaters report at 12:15, not at unique 15 minute interval (one at 12:13, another at 12:17, etc). Data will be downloadable through the utility dashboard. Data to include all participants enrolled and include the following fields at a minimum:

- Controller ID
- Time stamp
- kW
- Status of controller (event, customer override, etc)
- Customer initiated changes (event opt-out, boost mode, etc.)(if applicable)
- Point in time customer chooses to opt-out of an event (if applicable)

Privacy and Cyber Security: Vendors must be able to meet Tacoma Power's privacy and cyber security guidelines outlined in Appendix A (Exhibit A, Exhibit B, and Exhibit C)

APPENDIX A

Exhibits to be incorporated into the Contract

Exhibit A

Customer Data Privacy

A. Confidential Information

(1) "Customer Information" as used herein shall mean (a) a utility customer's personally identifying information which includes a customer's name, address, telephone number, and email address; (b) information that relates to the source, technical configuration, destination, power delivery location/address, and amount of electricity used by a retail utility customer; (c) a retail utility customer's payment history, and household data that is made available by the customer solely by virtue of the utility-customer relationship; and (d) information contained in a retail electric customer's bill.

(2) "Confidential Information" shall include (a) CITY Customer Information provided by the CITY to the CONTRACTOR, (b) in the case of written and/or electronic information, all data, documents, records and materials marked or otherwise identified as "confidential" or "proprietary," (c) in the case of oral disclosures, information identified at the time of disclosure as confidential and/or proprietary and confirmed in writing as such by the Disclosing Party within fifteen (15) calendar days of the disclosure to Recipient, and/or (d) that should reasonably have been understood by the Recipient because of legends or other markings (e.g. marked confidential), to be proprietary and confidential to the CITY.

"Confidential Information" shall not include information that: (1) was known to the CONTRACTOR without breach of any contractual, fiduciary, or other obligations to CITY prior to disclosure; (2) is or becomes part of the public domain by means other than by breach of CONTRACTOR's obligations hereunder; (3) can be demonstrated to have been independently developed by CONTRACTOR without reference to the CITY's Confidential Information, or (4) is required to be disclosed by operation of law or pursuant to order of a governmental agency with jurisdiction.

B. Restriction on Release. Except for disclosure of information and documents to CONTRACTOR's employees, agents, or Subcontractors who have a substantial need to know such information in connection with CONTRACTOR's performance of obligations under this Contract (and/or any related contract between the Parties) the CONTRACTOR shall not, without prior written authorization by the CITY, allow the release, dissemination, distribution, sharing, or other publication or disclosure of CITY's Confidential Information obtained, discovered, shared or produced by CITY pursuant to this Contract (and/or any related contract between the Parties).

C. Confidentiality Obligations. CONTRACTOR shall hold in confidence and protect the Confidential Information from disclosure to anyone not authorized to receive, view or use said information, which duty shall include taking reasonable precautions, but in no event less than due care, to prevent disclosure, publication, reproduction or dissemination of the Confidential Information to anyone not authorized to receive or view same.

D. CONTRACTOR shall not disclose or sell any Customer Information provided by the CITY pursuant to the above to any third party and, if any Customer Information is needed by third parties in connection with CONTRACTOR's performance of its obligations, CITY shall provide it to those third parties.

E. Confidentiality Obligations of Employees, Agents, Etc. CONTRACTOR shall inform its employees, agents, and Subcontractors of the confidentiality obligations under this Contract and instruct them so as to ensure such obligations are met. If so requested by the CITY, the CONTRACTOR further agrees to require all such individuals and entities performing services for CONTRACTOR pursuant to this Contract to execute a Confidentiality and Non-Disclosure Agreement in a form reasonably acceptable to CITY.

Exhibit B

Infrastructure and Data Security

CONTRACTOR acknowledges that CITY Data is critical to the CITY. CONTRACTOR represents to the CITY that its product or service complies with the following relevant security standards.

CONTRACTOR shall use precautions, including but not limited to, physical, software and network security measures, employee screening, training and supervision and appropriate agreements with employees, to:

- (1) Prevent anyone other than CITY or its authorized employees, contractors or agents from monitoring, using, gaining access to or learning the import of CITY Data
- (2) Protect appropriate copies of CITY Data from loss, corruption or unauthorized alteration; and
- (3) Prevent the disclosure of CITY Data passwords and other access control information to anyone other than authorized CITY employees.

CONTRACTOR will periodically test and re-evaluate the effectiveness of such precautions. CONTRACTOR will promptly notify CITY if such precautions are violated and CITY Data are affected hereby or passwords or other access information are Disclosed. "Disclosed" means, for the purpose of this Exhibit B, any circumstance when the security, integrity, or confidentiality of any CITY Data has been compromised, including but not limited to incidents where CITY Data has been damaged, lost, corrupted, destroyed, or accessed, acquired, modified, used, or disclosed by any unauthorized person, by any person in an unauthorized manner, or for an unauthorized purpose. Notwithstanding the foregoing, CONTRACTOR and its employees may use, process, view the contents of or monitor CITY Data to the extent necessary for CONTRACTOR to perform under this Agreement.

CONTRACTOR shall provide the CITY with a copy of CONTRACTOR's Information Security Policy on request.

CONTRACTOR shall take technical and organizational measures to keep CITY Data secure and to protect it against accidental loss or unlawful destruction, alteration, disclosure or access; and must deal with the CITY Data only in accordance with CITY's instruction.

CONTRACTOR shall be responsible for establishing and maintaining an information security program that is designed to:

- Ensure the security and confidentiality of the CITY Data,
- Protect against any anticipated threats or hazards to the confidentiality, availability, or integrity of the CITY Data,
- Protect against unauthorized access to or use of the CITY Data,
- Ensure the proper deletion of CITY Data,

- Ensure that all CONTRACTOR's subcontractors, if any, comply with the foregoing.

In no case shall the safeguards of the CONTRACTOR's information security program be less stringent than the information security safeguards used by the CITY's Information Security Program.

Network Interconnect Security. CONTRACTOR's network shall protect CITY Data through the implementation of security controls that adequately safeguard against intrusion, tampering, viruses and other security breaches (NIST SP 800-47). CONTRACTOR shall adhere to all CITY IT security policies, procedures, and guidelines and NIST special publications at <http://csrc.nist.gov/publications/nistpubs/>.

CONTRACTOR shall enforce the following IT security best practices:

- Least Privilege: Only authorized access to the minimum amount of resources required for a function;
- Separation of Duties: Functions shall be divided between staff members to reduce the threat that one person can commit fraud undetected;
- Role-Based Security: Access control shall be based on the role a user plays in an organization.

CONTRACTOR shall restrict CONTRACTOR or Subcontractor employees and other personnel from using resources on CITY's network unless they are supporting the purpose of the interconnection between the CITY's network and the CONTRACTOR's network.

CONTRACTOR shall review and verify CONTRACTOR personnel's continued need for access and level of access to CITY Data and CITY systems, networks and property on a semi-annual basis and will retain evidence of the reviews for two years from the date of each review.

CONTRACTOR will immediately notify CITY in writing (no later than close of business on the same day as the day of termination or change set forth below) and will immediately take all steps necessary to remove CONTRACTOR personnel's access to any CITY Data, systems, networks, or property when:

- Any CONTRACTOR personnel no longer requires such access in order to furnish the services, products, or hardware provided by CONTRACTOR under this Services Contract,
- Any CONTRACTOR personnel is terminated or suspended or his or her employment is otherwise ended,
- CONTRACTOR reasonably believes any CONTRACTOR personnel poses a threat to the safe working environment at or to any CITY property, including to employees, customers, buildings, assets, systems, networks, trade secrets, confidential Data, and/or employee or CITY Data.
- There are any material adverse changes to any CONTRACTOR personnel's background history, including, without limitation, any information not previously known or reported in personnel's background report or record,
- any CONTRACTOR personnel loses their U.S. work authorization, or

- CONTRACTOR's provisions of products, services and hardware to CITY under this Services Contract or any SOW is either completed or terminated, so that CITY can discontinue electronic and/or physical access for such CONTRACTOR personnel.

CONTRACTOR will take all steps reasonably necessary to immediately deny such CONTRACTOR personnel electronic and physical access to CITY Data as well as CITY property, systems, or networks, including, but not limited to, removing and security individual credentials and access badges, RSA tokens, and laptops, as applicable, and will return to CITY any CITY-issued property including, but not limited to, CITY photo ID badge, keys, parking pass, documents, or laptop in the possession of such CONTRACTOR personnel. CONTRACTOR will notify CITY once access to CITY Data as well as CITY property, systems, and networks has been removed.

CONTRACTOR shall immediately notify the CITY by telephone and email, and subsequently via written letter, when a Security Incident is detected, so that the CITY may take steps to determine whether its network has been compromised and take appropriate security precautions. "Security Incident" means any circumstance when (i) CONTRACTOR knows or reasonably believes that CITY Data hosted or stored by the CONTRACTOR has been Disclosed; (ii) CONTRACTOR knows or reasonably believes that an act or omission has compromised or may reasonably compromise the cybersecurity of the products and services; including hardware, provided to CITY by CONTRACTOR or the physical, technical, administrative, or organizational safeguards protecting CONTRACTOR's systems or CITY's systems storing or hosting CITY Data; or (iii) CONTRACTOR receives any complaint, notice, or communication which relates directly or indirectly to (A) CONTRACTOR's handling of CITY Data or CONTRACTOR's compliance with the data safeguards in this Services Contract or applicable law in connection with CITY Data or (B) the cybersecurity of the products and services; including hardware, provided to CITY by CONTRACTOR.

Location of Data. CONTRACTOR warrants and represents that it shall transmit, store and process CITY Data and content only in the continental United States.

Data Breaches. In the event of a breach of CITY Data, the CITY reserves the right to participate in breach root cause analysis activities undertaken by the CONTRACTOR. CONTRACTOR shall report, orally and in writing, to the CITY any use or disclosure of CITY Data or content not authorized by the Agreement or in writing by the CITY including any reasonable belief that an unauthorized individual has accessed CITY Data or CITY Materials. CONTRACTOR shall make the report to CITY immediately upon discovery of the unauthorized disclosure, but in no event more than two (2) business days after CONTRACTOR reasonably believes there has been such unauthorized use or disclosure.

CONTRACTOR shall report:

- The approximate date and time of the occurrence if precisely known
- A summary of the facts and circumstances of the Security Incident, including a description of
 - The covered CITY Data or CITY Materials

- Who made the unauthorized use or received the unauthorized disclosure
 - What CONTRACTOR has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure
 - What corrective action CONTRACTOR has taken or shall take to prevent future similar unauthorized use or disclosure
- CONTRACTOR shall provide such other information, including a written report, as reasonably requested by the CITY

Notwithstanding any other provisions in the Agreement, CONTRACTOR shall be liable for all damages, fines and corrective action arising from unauthorized use or disclosure of such information caused by CONTRACTOR's breach of its data security or confidentiality provisions hereunder.

Exhibit C

Hardware, Firmware, Software, and Patch Integrity and Authenticity

CONTRACTOR understands that CITY hardware, firmware, software, and all associated patch integrity is subject to CIP-013 of the North American Reliability Corporation.

(a) CONTRACTOR shall establish, document, and implement risk management practices for supply chain delivery of hardware, software (including patches), and firmware provided under this Services Contract. CONTRACTOR shall provide documentation on its: chain-of-custody practices, inventory management program (including the location and protection of spare parts), information protection practices, integrity management program for components provided by sub-CONTRACTORS, instructions on how to request replacement parts, commitment to ensure that for the period of performance under an SOW, spare parts shall be made available by CONTRACTOR.

(b) CONTRACTOR shall specify how digital delivery for procured products (e.g., software and data) including patches will be validated and monitored to ensure the digital delivery remains as specified. If CITY deems that it is warranted, CONTRACTOR shall apply encryption to protect procured products throughout the delivery process.

(i) If CONTRACTOR provides software or patches to CITY, CONTRACTOR shall publish or provide a hash conforming to the Federal Information Processing Standard (FIPS) Security Requirements for Cryptographic Modules (FIPS 140-2) or similar standard information on the software and patches to enable CITY to use the hash value as a checksum to independently verify the integrity of the software and patches and avoid downloading the software or patches from CONTRACTOR's website that has been surreptitiously infected with a virus or otherwise corrupted without the knowledge of CONTRACTOR.

(c) CONTRACTOR shall identify the country (or countries) of origin of the procured product and its components (including hardware, software, and firmware). CONTRACTOR will identify the countries where the development, manufacturing, maintenance, and service for the product are provided. CONTRACTOR will notify CITY of changes in the list of countries where product maintenance or other services are provided in support of the procured product. This notification shall occur 180 days prior to initiating a change in the list of countries.

(d) CONTRACTOR shall use trusted channels to ship procured products, such as U.S. registered mail.

(e) CONTRACTOR shall demonstrate a capability for detecting unauthorized access throughout the delivery process.

(f) CONTRACTOR shall demonstrate chain-of-custody documentation for procured products as determined by CITY in its sole discretion and require tamper-evident packaging for the delivery of this hardware.²¹

Patching Governance:

(a) Prior to the delivery of any products and services to CITY or any connection of electronic devices, assets or equipment to CITY's electronic equipment, CONTRACTOR shall provide

documentation regarding its patch management and vulnerability management/mitigation programs and update process (including third-party hardware, software, and firmware) for products, services, and any electronic device, asset, or equipment required to be connected to the assets of CITY during the provision of products and services under this Agreement. This documentation shall include information regarding:

- (i) the resources and technical capabilities to sustain this program and process such as CONTRACTOR's method or recommendation for how the integrity of a patch is validated by CITY; and
- (ii) CONTRACTOR's approach and capability to remediate newly reported zero-day vulnerabilities.

(b) Unless otherwise approved by the CITY in writing, current or supported version of CONTRACTOR products and services shall not require the use of out-of-date, unsupported, or end-of-life version of third-party components (e.g., Java, Flash, Web browser, etc.).

(c) CONTRACTOR shall verify and provide documentation that procured products (including third-party hardware, software, firmware, and services) have appropriate updates and patches installed prior to delivery to CITY.

(d) In providing the products and services described in this Services Contract CONTRACTOR shall provide appropriate software and firmware updates to remediate newly discovered vulnerabilities or weaknesses within a negotiated time period. Updates to remediate critical vulnerabilities shall be provided within thirty (30) days. If updates cannot be made available by CONTRACTOR within these time periods, CONTRACTOR shall provide mitigations and/or workarounds within a negotiated time period.

(e) When third-party hardware, software (including open-source software), and firmware is provided by CONTRACTOR to CITY, CONTRACTOR shall provide appropriate hardware, software, and firmware updates to remediate newly discovered vulnerabilities or weaknesses within a negotiated time period. Updates to remediate critical vulnerabilities shall be provided within thirty (30) days. If these third-party updates cannot be made available by CONTRACTOR within these time periods, CONTRACTOR shall provide mitigations and/or workarounds within a negotiated time period.

Viruses, Firmware and Malware:

(a) CONTRACTOR will use reasonable efforts to investigate whether computer viruses or malware are present in any software or patches before providing such software or patches to CITY.

(b) CONTRACTOR warrants that it has no knowledge of any computer viruses or malware coded or introduced into any software or patches, and CONTRACTOR will not insert any code which would have the effect of disabling or otherwise shutting down all or a portion of such software or damaging information or functionality.

(c) When install files, scripts, firmware, or other CONTRACTOR delivered software solutions are flagged as malicious, infected, or suspicious by an anti-virus vendor through open source solutions like "Virus Total," CONTRACTOR must provide technical proof as to why the "false

positive” hit has taken place to ensure their code’s supply chain has not been compromised.

(d) If a virus or other malware is found to have been coded or otherwise introduced as a result of CONTRACTOR’s breach of its obligations under this Services Contract, CONTRACTOR shall immediately and at its own cost:

(i) Take all necessary remedial action and provide assistance to CITY to eliminate the virus or other malware throughout CITY’s Data, networks, computer systems, and information systems, regardless of whether such systems or networks are operated by or on behalf of CITY; and

(ii) If the virus or other malware causes a loss of operational efficiency or any loss of Data

(A) where CONTRACTOR is obligated under this Services Contract to back up such Data, take all steps necessary and provide all assistance required by CITY and its affiliates, and

(B) where CONTRACTOR is not obligated under this Services Contract to back up such Data, use commercially reasonable efforts, in each case to mitigate the loss of or damage to such Data and to restore the efficiency of such Data.

By signing the below, vendor agrees they are able to meet and incorporate Exhibits A, B, and C from Appendix A of RFB PM20-0304N into any subsequent awarded contracts:

Bidder/Proposer’s Registered Name

Signature of Person Authorized to Enter Date
into Contracts for Bidder/Proposer

Address

Printed Name and Title

City, State, Zip

(Area Code) Telephone Number / Fax Number

E-Mail Address

State Business License Number
in WA, also known as UBI (Unified Business Identifier) Number

E.I.No. / Federal Social Security Number Used on Quarterly
Federal Tax Return, U.S. Treasury Dept. Form 941

State Contractor’s License Number
(See Ch. 18.27, R.C.W.)

APPENDIX B

Price Proposal Form

Signature Page

Record of Prior Contracts

Vendor Name: _____

****PRICE PROPOSAL FORM****

PM20-0304N – Smart Water Heater Controllers (SWHC)

*****Prices Quoted to be F.O.B. Destination – Freight Prepaid and Allowed**

| Item | Price Per Each | Total # of Units | Extended Total |
|---|----------------|------------------------|----------------|
| Smart Water Heater Controller (Brief Description) | \$ _____ | 250 | \$ _____ |
| One Time Setup Fee (all one time fees for the access portal) | \$ _____ | 1 | \$ _____ |
| Annual Service Access Connection (per unit for three years) | \$ _____ | 250 Units x 3 years | \$ _____ |
| Other Costs not otherwise noted above (Please Describe) | \$ _____ | | \$ _____ |
| Grand Total: | | | \$ _____ |

Please submit the following with the Bid Proposal Page:

- 1) Written instructions on product installation
- 2) Specification sheet of product
- 3) Example of data output available from utility portal (excel or *.csv format)
- 4) Data key for data output
- 5) Written warranty information

*Sales tax is applicable.

Prompt Payment Discount _____% _____ days, net 30. Payment discount periods of twenty (20) calendar days or more will be considered in determining lowest responsible bid.

Company can accept a Procurement Card as payment: YES _____ NO _____

Are you a City of Tacoma Small Business or State of Washington WMBE Enterprise Company? YES _____ NO _____

SIGNATURE PAGE

CITY OF TACOMA TACOMA POWER/POWER MANAGEMENT

All submittals must be in ink or typewritten, executed by a duly authorized officer or representative of the bidding/proposing entity, and received and time stamped as directed in the **Request for Bids page near the beginning of the specification**. If the bidder/proposer is a subsidiary or doing business on behalf of another entity, so state, and provide the firm name under which business is hereby transacted.

REQUEST FOR BIDS SPECIFICATION NO. PM20-0304N Smart Water Heater Controllers (SWHC)

The undersigned bidder/proposer hereby agrees to execute the proposed contract and furnish all materials, labor, tools, equipment and all other facilities and services in accordance with these specifications.

The bidder/proposer agrees, by submitting a bid/proposal under these specifications, that in the event any litigation should arise concerning the submission of bids/proposals or the award of contract under this specification, Request for Bids, Request for Proposals or Request for Qualifications, the venue of such action or litigation shall be in the Superior Court of the State of Washington, in and for the County of Pierce.

Non-Collusion Declaration

The undersigned bidder/proposer hereby certifies under penalty of perjury that this bid/proposal is genuine and not a sham or collusive bid/proposal, or made in the interests or on behalf of any person or entity not herein named; and that said bidder/proposer has not directly or indirectly induced or solicited any contractor or supplier on the above work to put in a sham bid/proposal or any person or entity to refrain from submitting a bid/proposal; and that said bidder/proposer has not, in any manner, sought by collusion to secure to itself an advantage over any other contractor(s) or person(s).

Bidder/Proposer's Registered Name

Signature of Person Authorized to Enter Date
into Contracts for Bidder/Proposer

Address

Printed Name and Title

City, State, Zip

(Area Code) Telephone Number / Fax Number

E-Mail Address

State Business License Number
in WA, also known as UBI (Unified Business Identifier) Number

E.I.No. / Federal Social Security Number Used on Quarterly
Federal Tax Return, U.S. Treasury Dept. Form 941

State Contractor's License Number
(See Ch. 18.27, R.C.W.)

Addendum acknowledgement #1_____ #2_____ #3_____ #4_____ #5_____

THIS PAGE MUST BE SIGNED AND RETURNED WITH SUBMITTAL.

RECORD OF PRIOR CONTRACTS

NAME _____ ADDRESS _____

Type of Work _____ **Specification No.** _____

[illegible]

Remarks:

APPENDIX C

Standard Terms & Conditions

**CITY OF TACOMA
STANDARD TERMS AND CONDITIONS
GOVERNS BOTH GOODS AND SERVICES AS APPLICABLE**

In the event of an award by the City, these Terms and Conditions stated herein, Additional Contract Documents if issued, Solicitation if issued, Purchase Orders if issued by City, and Supplier's Submittal, if provided, shall constitute the Contract between City and Supplier for the acquisition of goods, including materials, supplies, and equipment or for the provision of services and deliverables.

Said documents represent the entire Contract between the parties and supersede any prior oral statements, discussions, or understandings between the parties, and/or subsequent Supplier invoices. No modification of the Contract shall be effective unless mutually agreed in writing.

The specific terms and conditions of any Solicitation (Specification, Request for Bids, Request for Proposals, Requests for Qualifications, Requests for Quotations, Request for Information, bid documents, request to enter into negotiations, or other form of solicitation issued by City, including any general, special, or technical provisions associated with such Solicitations) are incorporated herein by reference and supersede these Terms and Conditions where there is conflict or inconsistency.

In the event Additional Contract Documents are negotiated and agreed to in writing between Supplier and City, the specific terms of such Additional Contract Documents are incorporated herein by reference and supersede all other terms and conditions where there is conflict or inconsistency.

These Terms and Conditions, Additional Contract Documents if issued, Solicitation if issued, City purchase order if issued, are controlling over Supplier's Submittal if a Submittal is provided. Submittals if provided are incorporated herein by reference.

1.01 SUPPLIER / CONTRACTOR

As used herein, "Supplier" or "Contractor" shall be the Supplier(s) entering a Contract with City, whether designated as a Supplier, Contractor, Vendor, Proposer, Bidder, Respondent, Seller, Merchant, Service Provider, or otherwise.

1.02 SUBMITTAL

Submittal means Bids, Proposals, Quotes, Qualifications or other information, content, records or documents submitted in response to a City Solicitation.

1.03 FORMS OF SUBMITTAL

Unless stated otherwise, all submittals must be in SAP Ariba and submitted exactly as specified or directed, and all required forms must be used.

1.04 COSTS TO PREPARE SUBMITTAL

The City is not liable for any costs incurred by Supplier for the preparation of materials or a Submittal provided in response to a solicitation, conducting presentations to the City, or any other activities related to responding to the City's Solicitation.

1.05 LICENSES/PERMITS

- A. Suppliers, if applicable, must have a Washington state business license at the time of Submittal and throughout the term of the Contract. Failure to include a Washington state business license may be grounds for rejection of the Submittal or cancellation of contract award. Information regarding Washington state business licenses may be obtained at <http://bls.dor.wa.gov>.
- B. Upon award, it is the responsibility of the Supplier to register with the City of Tacoma's Tax and License Division, 733 South Market Street, Room 21, Tacoma, WA 98402-3768, 253-591-5252, https://www.cityoftacoma.org/government/city_departments/finance/tax_and_license/. Supplier shall obtain a business license as is required by Tacoma Municipal Code Subtitle 6C.20.
- C. During the term of the Contract, Supplier, at its expense, shall obtain and keep in force any and all necessary licenses and permits.

1.06 PUBLIC DISCLOSURE: PROPRIETARY OR CONFIDENTIAL INFORMATION

- A. Supplier Submittals, all documents and records comprising the Contract, and all other documents and records provided to the City by Supplier are deemed public records subject to disclosure under the Washington State Public Records Act, Chapter 42.56 RCW (Public Records Act). Thus, City may be required, upon request, to disclose the Contract and documents or records related to it unless an exemption under the Public Records Act or other laws applies. In the event CITY receives a request for such disclosure, determines in its legal judgment that no applicable exemption to disclosure applies, and Supplier has complied with the requirements to mark records considered confidential or proprietary as such requirements are stated below, City agrees to provide Supplier 10 days written notice of impending release. Should legal action thereafter be initiated by Supplier to enjoin or otherwise prevent such release, all expense of any such litigation shall be borne by Supplier, including any damages, attorneys' fees or costs awarded by reason of having opposed disclosure. City shall not be liable for any release where notice was provided and Supplier took no action to oppose the release of information.
- B. If Supplier provides City with records or information that Supplier considers confidential or proprietary, Supplier must mark all applicable pages or sections of said record(s) as "Confidential" or "Proprietary." Further, in the case of records or information submitted in response to a Request for Proposals, an index must be provided indicating the affected pages or sections and locations of all such material identified Confidential or Proprietary. Information not included in the required index will not be reviewed for confidentiality or as proprietary before release. If Supplier fails to so mark or index Submittals and related records, then the City, upon request, may release said record(s) without the need to satisfy the requirements of subsection A above; and Supplier expressly waives its right to allege any kind of civil action or claim against the City pertaining to the release of said record(s).
- C. Submission of materials in response to City's Solicitation shall constitute assent by Supplier to the foregoing procedure and Supplier shall have no claim against the City on account of actions taken pursuant to such procedure.

1.07 SUSTAINABILITY

- A. The City has interest in measures used by its contractors to ensure sustainable operations with minimal adverse impact on the environment. The City seeks to do business with vendors that value community and environmental stewardship that help us meet our sustainable purchasing goals.
- B. The City encourages the use of environmentally preferable products or services that help to minimize the environmental and human health impacts of City operations. Suppliers are encouraged to incorporate environmentally preferable products or services into Submittals wherever possible. "Environmentally preferable" means products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal of the product or service.
- C. Environmental Standards. The City seeks to ensure that all purchases comply with current environmental standards and product specifications. Where appropriate, third party independent certifiers such as Green Seal and USEPA Standards shall be a minimum specification for products to the City, unless specified otherwise herein.
- D. The City encourages the use of sustainability practices and desires any awarded Suppliers to assist in efforts to address such factors when feasible for:
 - 1. Pollutant releases
 - 2. Toxicity of materials used
 - 3. Waste generation
 - 4. Greenhouse gas emissions, including transportation of materials and services
 - 5. Recycle content
 - 6. Energy consumption
 - 7. Depletion of natural resources
 - 8. Potential impact on human health and the environment

1.08 ALTERATIONS NOT ALLOWED

Except as otherwise specifically provided in a Solicitation, Submittals that are incomplete or conditioned in any way, contain erasures, alternatives or items not called for, or not in conformity with law, may be rejected as being non-responsive. Any attempt to condition a Submittal by inserting exceptions to the Solicitation or any conditions, qualifications or additions that vary its terms may result in rejection of the Submittal. The City may reject any submittal containing a material deviation from the Solicitation.

1.09 CORRECTION OF AMBIGUITIES AND OBVIOUS ERRORS

- A. The City reserves the right to correct obvious errors in Supplier's Submittal. In this regard, if the unit price does not compute to the extended total price, the unit price shall govern.
- B. Supplier shall notify the City of Tacoma Procurement and Payables Division in writing of any ambiguity, conflict, discrepancy, omission or other error in a Solicitation no later than five business days prior to the submittal deadline.
 - 1. For solicitations conducted in SAP Ariba, Supplier shall notify the City of Tacoma Procurement and Payables Division on the message board of the event.
 - 2. For all other solicitations, Supplier shall notify the contract person listed in the Solicitation.
- C. The City will make necessary modifications by addendum.
- D. Supplier is responsible for identifying ambiguities, conflicts, discrepancies, omissions or other errors in the Solicitation prior to providing its Submittal or the ambiguity, conflict, discrepancy, omission, or other error is waived. Any Submittal that includes assumed clarifications and/or corrections without the required authentication of the same is subject to rejection.

1.10 WARRANTIES/GUARANTEE

- A. Suppliers warrant that all items, including services, as applicable:
 - 1. Are merchantable.
 - 2. Comply with the City's latest drawings and specifications.
 - 3. Are fit for the City's intended use.
 - 4. Will be performed according to the skill and care required by customarily accepted good practices and procedures followed by service providers rendering the same or similar type of service.
 - 5. Are new and unused unless otherwise stated.
 - 6. Comply with all applicable safety and health standards established for such products by the Occupational Safety and Health Administration (OSHA), Washington Industrial Safety and Health Act (WISHA) and/or Consumer Products Safety Act (CPSA), and all other applicable state and federal laws or agency regulations.
 - 7. Are properly packaged and contain appropriate instructions or warnings, including applicable MSDS sheets.

1.11 PATENTS, TRADEMARKS AND COPYRIGHTS

Suppliers warrant that equipment and/or materials furnished, including software, do not infringe on any patent, trademark or copyright, and agree to indemnify, defend and hold harmless, the City in the event of any infringement or claim thereof.

1.12 DELIVERY OF SUBMITTALS TO THE CITY'S PROCUREMENT AND PAYABLES DIVISION

- A. Submittal packages must be received by the City's Procurement and Payables Division in SAP Ariba (unless another form of delivery is stated), prior to the scheduled time and date stated in the Solicitation.
- B. Supplier is solely responsible for timely delivery of its Submittal.
- C. Submittals received after the time stated in the solicitation will not be accepted.
- D. For purposes of determining whether a Submittal has been timely received in SAP Ariba, the City's Procurement and Payables Division will rely on the submittal clock in SAP Ariba.

1.13 SUBMITTAL IS NON-COLLUSIVE

Supplier acknowledges that by its delivery of a Submittal to the City in response to a Solicitation, it represents that the prices in such Submittal are neither directly nor indirectly the result of any formal or informal agreement with another Supplier.

1.14 PARTNERSHIPS

The City will allow firms to partner in order to respond to a Solicitation. Multiple suppliers may team under a Prime Supplier's Submittal in order to provide responses to all sections in a single submission; however, each Supplier's participation must be clearly delineated by section. The Prime Supplier will be considered the responding vendor and the responsible party at contract award. All contract negotiations will be conducted only with the Prime Supplier. All contract payments will be made only to the Prime Supplier. Any agreements between the Prime Supplier and other companies will not be a part of the Contract between the City and the Prime Supplier. The City reserves the right to select more than one Prime Supplier.

1.15 WITHDRAWAL OF SUBMITTALS

- A. Prior to Submittal Deadline. Submittals may be withdrawn (including in SAP Ariba) prior to the scheduled submittal deadline.
- B. After Submittal Deadline. No Submittal can be withdrawn after having been opened before the actual award of the contract, unless the award is delayed more than 90 calendar days beyond the date of opening. If a delay of more than 90 calendar days does occur, Supplier must submit written notice to the City purchasing manager that Supplier is withdrawing its submittal.

1.16 ACCEPTANCE OF SUBMITTALS

- A. If the solicitation announcement so states, submittals, unless previously withdrawn, will be read aloud, irrespective of any irregularities or informalities in such submittal, at the time and place specified in the solicitation announcement.
- B. All submittals must remain open for acceptance by the City for a period of at least 90 calendar days from the submittal deadline.

1.17 RIGHT TO REJECT

The City of Tacoma reserves the right to reject any and all submittals, waive minor deviations or informalities, supplement, amend, reduce or otherwise modify the scope of work or cancel the solicitation, and if necessary, call for new submittals.

1.18 RESERVED RIGHTS

- A. By providing a submittal in response to a City solicitation, Supplier acknowledges and consents to the below City rights and conditions. With regard to this procurement process, the City reserves, holds without limitation, and may exercise, at its sole discretion, the following rights and conditions:
 - 1. To terminate the procurement process or decide not to award a contract as a result thereof by written notice to the Suppliers for any reason whatsoever with or without substitution of another solicitation.
 - 2. To waive any defect, technicality, or any other minor informality or irregularity in any submittal, or any other response from Suppliers.
 - 3. To issue addenda for any purpose including:
 - a. To make minor or major changes or alterations to the evaluation, selection and/or performance schedule(s) for any events associated with a procurement.
 - b. To supplement, amend, reduce, cancel, or otherwise modify a Solicitation, including but not limited to modifications to the description of services and/or products contained in the solicitation, by omitting services/products and/or including services/products.
 - 4. To request clarifications, additional information, and/or revised Submittals from one or more Suppliers.
 - 5. To conduct investigations with respect to the qualifications and experience of Supplier(s), including inspection of facilities and to request additional evidence to support any such information.

6. To eliminate any Supplier that submits an incomplete or inadequate response, or is non-responsive to the requirements of a Solicitation, or is otherwise deemed to be unqualified during any stage of the procurement process.
7. To select and interview a single finalist or multiple finalists to further the City's evaluation of Submittals provided in response to a Solicitation. The City may, in its sole and exclusive discretion as to what is in the City's best interest, elect not to conduct interviews of any or all Suppliers in connection with a solicitation process.
8. Except in the case of Requests for Bids, to negotiate any rate/fee offered by a Supplier. The City shall have the sole right to make the final rate/fee offer during contract negotiations. If the selected Supplier does not accept the City's final offer, the City may, in its sole discretion discontinue contract negotiations and commence negotiations with another Supplier, except as otherwise provided in Chapter 39.80, RCW.
9. To select and enter into a Contract with one or more Suppliers whose Submittal best satisfies the interests of the City and is most responsive, in the sole judgment of the City, to the requirements of a Solicitation.
10. To award by line item or group of line items.
11. To not award one or more items.
12. To issue additional or subsequent solicitations.
13. To seek partnerships between one or more Suppliers.
14. Request additional related products and services from the selected Supplier(s) as necessary throughout the term of the Contract.
15. Negotiate costs or fees in the event of new legislation or regulatory changes, or issuance of related compliance guidance, technology enhancements, and innovative solutions.
16. In the event the City receives questions concerning a Solicitation from one or more Suppliers prior to the deadline for response, the City reserves the right to provide such questions, and the City's responses, if any, to all Suppliers.
17. If an award is made and, prior to entering into a contract, subsequent information indicates that such award is not in the best interest of the City, the City may rescind the award without prior notice to Supplier and either award to another Supplier or reject all submittals or cancel this solicitation.
18. To cancel award of a contract at any time before execution of the Contract by both parties if cancellation is deemed to be in the City's best interest. In providing a submittal, Suppliers agree that the City is not liable for any costs or damages for the cancellation of an award. Supplier assumes the sole risk and responsibility for all expenses connected with the preparation of its submittal.
19. To add additional City departments or divisions to the Contract or develop a separate Contract with the Supplier subject to all terms, conditions and pricing of the original Contract
20. To take any other action affecting a Solicitation or a procurement process that is determined to be in the City's best interests.

1.19 SUBMITTAL CLARIFICATION

Suppliers may be asked to clarify their Submittal. This action shall not be construed as negotiations or any indication of intentions to award. If called upon, Supplier must respond to such requests within two business days or the timeframe set forth by the City in its request for clarification. Supplier's failure to respond to such a request may result in rejection of its Submittal.

1.20 EVALUATION OF SUBMITTALS

- A. The City of Tacoma reserves the right to award to the lowest and best responsible Supplier(s) delivering a Submittal in compliance with the Solicitation, provided such Submittals are reasonable and are in the best interest of the City to accept. The City may use a number of criteria for determining award, including evaluation factors set forth in Municipal Code Section 1.06.262. Suppliers who are inexperienced or who fail to properly perform other contracts may have their submittal rejected for such cause.

1. Evaluation Factors. In addition to the factors set forth in Municipal Code Section 1.06.262, the following may be used by the City in determining the lowest and best responsible Submittal:
 - a. Compliance with a Solicitation and with applicable City requirements, including by not limited to, the City's Ethics Code and its Small Business Enterprise and Local Employment and Apprenticeship programs.
 - b. Submittal prices, listed separately if requested, as well as a lump sum total (if the unit price does not compute to the extended total price, the unit price shall govern).
 - c. The total cost to the City, including all applicable taxes, may be the basis for contract award.
 - d. Time of delivery and/or completion of performance (delivery date(s) offered).
 - e. Warranty terms.
 - f. Quality of performance of previous contracts or services, including safety requirements and past compliance with the City's Ethics Code.
 - g. Previous and existing compliance with laws and ordinances relating to contracts or services.
 - h. Sufficiency of financial resources.
 - i. Quality, availability, and adaptability of the supplies or services to the particular use required.
 - j. Ability to provide future maintenance and service on a timely basis.
 - k. Location of nearest factory authorized warranty repair facility or parts dealership.
 - l. Ability, capacity, experience, stability, reputation, integrity, character, judgment, technical qualifications, and skill to perform the contract or provide the services required.
2. Prompt Payment Discount. Payment discount periods of 20 calendar days or more, if offered in the submittal, will be considered in determining the apparent lowest responsible submittal. Discounts will be analyzed in context of their overall cumulative effect.
 - a. ePayable/Credit Card Acceptance. Submittals offering ePayable/Credit card acceptance may be compared against submittals offering a prompt payment discount to evaluate the overall cumulative effect of the discount against the advantage to the City of the ePayable/Credit card acceptance, and may be considered in determining the apparent lowest responsible submittal.
3. All other elements or factors, whether or not specifically provided for in a Solicitation, which would affect the final cost to, and the benefits to be derived by, the City, may be considered in determining the award of a Contract. The final award decision will be based on the best interests of the City.

1.21 CONTRACT OBLIGATION

- A. The Submittal contents of the successful Supplier will become contractual obligations if a Contract ensues.
- B. In the event the City of Tacoma determines to award a Contract, the selected Supplier(s) may be requested to execute Additional Contract Documents.
- C. Supplier shall register with the City of Tacoma on the SAP Ariba Network and be enabled for transactions upon request by the City.
- D. Suppliers may propose amendments to City's Contract documents or to these Terms and Conditions, but the City retains the right to accept or reject proposed amendments.
- E. No costs chargeable for work under the proposed Contract may be incurred before mutual acceptance and execution as directed.

1.22 AWARD

The City reserves the right to award Contracts for any or all items to one or more Suppliers in the best interests of the City.

1.23 SUPPLIER'S REFUSAL TO ENTER INTO CONTRACT

Any Supplier who refuses to enter into a Contract after it has been awarded to the Supplier will be in breach of the agreement to enter the Contract, and Supplier's certified or cashier's check or bid bond, if any, shall be forfeited.

1.24 LEGAL HOLIDAYS

- A. The City of Tacoma observes the following holidays, which shall apply to performance of all contracts:

| | |
|-------------------------------|-----------------------|
| New Year's Day | January 1 |
| Martin Luther King's Birthday | 3rd Monday in January |

| | |
|------------------------|--------------------------|
| Washington's Birthday | 3rd Monday in February |
| Memorial Day | Last Monday in May |
| Independence Day | July 4 |
| Labor Day | 1st Monday in September |
| Veteran's Day | November 11 |
| Thanksgiving Day | 4th Thursday of November |
| Day after Thanksgiving | 4th Friday of November |
| Christmas Day | December 25 |

- B. When any of these holidays occur on Saturday or Sunday, the preceding Friday or the following Monday, respectively, is a legal holiday for the City of Tacoma.

1.25 CONTRACT TERM

All services shall be satisfactorily completed and all deliverables provided by the termination date stated, and the Contract shall expire on said date unless mutually extended in writing by the parties.

1.26 EXTENSION OF CONTRACT

Contracts shall be subject to extension at City's sole discretion.

1.27 TERMINATION AND SUSPENSION

- A. Termination for Convenience
1. Supplies. The City may terminate a Contract for supplies at any time upon prior written notice to Supplier. Upon the effective date of termination specified in such notice, and payment by the City, all conforming supplies, materials, or equipment previously furnished hereunder shall become its property.
 2. Services. The City may terminate a Contract for services at any time, with or without cause, by giving 10 business days written notice to Supplier. In the event of termination, all finished and unfinished work prepared by Supplier pursuant to the Contract shall be provided to the City. In the event City terminates the Contract due to the City's own reasons and without cause due to Supplier's actions or omissions, the City shall pay Supplier the amount due for actual work and services necessarily performed under the Contract up to the effective date of termination, not to exceed the total compensation set forth in the Contract.
- B. Termination for Cause. The City may terminate a Contract for either services or supplies in the event of any material breach of any of the terms and conditions of the Contract if the Supplier's breach continues in effect after written notice of breach and 30 days to cure such breach and fails to cure such breach.
- C. Suspension. For either services or supplies, the City may suspend a Contract, at its sole discretion, upon three business days' written notice to Supplier. Such notice shall indicate the anticipated period of suspension. Any reimbursement for expenses incurred due to the suspension shall be limited to Supplier's actual expenses and shall be subject to verification. Supplier shall resume performance of services under the Contract without delay when the suspension period ends.
- D. Termination or suspension of a Contract by City shall not constitute a waiver of any claims or remaining rights the City may have against Supplier relative to performance under a Contract.

1.28 DEFAULT/BREACH

In the event of material default or breach by Supplier on any of the conditions of a Contract, Supplier agrees that the City may, at its election, procure the goods or services from other sources, and may deduct from the unpaid balance due Supplier, or collect against the bond or security (if any), or may invoice and recover from Supplier all costs paid in excess of the price(s) set forth in the Contract.

1.29 SCOPE OF SERVICES/CONTRACT MODIFICATION

Supplier agrees to diligently and completely perform the services and provide the deliverables required by a Contract.

- A. Supplies. The City at any time by written change order or other form of written contract amendment may make reasonable changes in the place of delivery, installation, or inspection, the method of shipment or packing, identification and ancillary matters that Supplier may accommodate without substantial additional expense.
- B. Services. The City shall have the right to make changes within the general scope of services and/or deliverables upon execution in writing of a change order or other written form of contract amendment. If

the changes will result in additional work effort by Supplier the City agrees to reasonably compensate Supplier for such additional effort up to the maximum amount specified in the Contract or as otherwise provided by Tacoma Municipal Code. Any new services accepted by the City may be added to the Contract and/or substituted for discontinued services. New services shall meet or exceed all requirements of original award.

- C. Expansion Clause. A Contract may be further expanded in writing to include other related services or products normally offered by Supplier, as long as the price of such additional services or products have a profit margin equal to or less than that in place at the time of original submittal. Such additions and prices will be established in writing. New items not meeting these criteria will not be added to the Contract. Supplier profit margins are not to increase as a result any such expansion.

1.30 FEDERAL, STATE, AND MUNICIPAL LAWS AND REGULATIONS

Supplier shall comply with all federal, state, municipal, and/or local laws and regulations in the performance of all terms and conditions of the Contract. Supplier shall be solely responsible for all violations of the law from any cause in connection with its performance of work under the Contract.

1.31 PREVAILING WAGES

- A. If federal, state, local, or any applicable law requires Supplier to pay prevailing wages in connection with a Contract, and Supplier is so notified by the City, then Supplier shall pay applicable prevailing wages.
- B. If applicable, a Schedule of Prevailing Wage Rates and/or the current prevailing wage determination made by the Secretary of Labor for the locality or localities where the Contract will be performed is attached and made of part of the Contract by this reference. If prevailing wages do apply to the Contract, Supplier and its subcontractors shall:
 - 1. Be bound by and perform all transactions regarding the Contract relating to prevailing wages and the usual fringe benefits in compliance with the provisions of Chapter 39.12 RCW, as amended, the Washington State Prevailing Wage Act and/or the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable, including the federal requirement to pay wages not less than once a week,
 - 2. Ensure that no worker, laborer or mechanic employed in the performance of any part of the Contract shall be paid less than the prevailing rate of wage specified on that Schedule and/or specified in a wage determination made by the Secretary of Labor (unless specifically preempted by federal law, the higher of the Washington state prevailing wage or federal Davis-Bacon rate of wage must be paid)and Additionally, in compliance with applicable federal law, contractors are required to pay wages not less than once a week.
 - 3. Immediately upon award of the Contract, contact the Department of Labor and Industries, Prevailing Wages section, Olympia, Washington and/or the federal Department of Labor, to obtain full information, forms and procedures relating to these matters. Per such procedures, a Statement of Intent to Pay Prevailing Wages and/or other or additional documentation required by applicable federal law, must be submitted by Contractor and its subcontractors to the City, in the manner requested by the City, prior to any payment by the City hereunder, and an Affidavit of Wages Paid and/or other or additional documentation required by federal law must be received or verified by the City prior to final Contract payment.

1.32 COPELAND ANTI-KICKBACK ACT

For contracts subject to Davis Bacon Act the following clauses will be incorporated into the Contract:

- 1. Contractor. The contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- 2. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- 3. Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

1.33 FEDERAL AID PROJECTS

The City of Tacoma in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, subtitle A, Office of the Secretary, part 21, nondiscrimination in federally assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises as defined at 49 CFR, part 26, will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin, or sex in consideration for an award.

1.34 FEDERAL FINANCIAL ASSISTANCE

If federal funds, including FEMA financial assistance to the City of Tacoma, will be used to fund, pay or reimburse all or a portion of the Contract, Contractor will comply with all applicable Federal law, regulations, executive orders, FEMA policies, procedures, and directives and the following clauses will be incorporated into the Contract:

A. **EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Contract, Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

1. Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
3. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.
4. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
5. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
6. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
7. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with

procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

8. The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

B. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

1. Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
2. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (B)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (B)(1) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.
3. Withholding for unpaid wages and liquidated damages. The City shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B)(2) of this section.
4. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (B)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (B)(1) through (4) of this section.

C. CLEAN AIR ACT

1. Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. Contractor agrees to report each violation to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

3. Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

D. FEDERAL WATER POLLUTION CONTROL ACT

1. Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. Contractor agrees to report each violation to the City and understands and agrees that the City will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

E. DEBARMENT AND SUSPENSION

1. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the contractor is required to verify that none of the contractor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
2. Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
3. This certification is a material representation of fact relied upon by the City. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to (insert name of recipient/subrecipient/applicant), the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
4. Contractor agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

F. BYRD ANTI-LOBBYING AMENDMENT

1. Contractors who apply or bid for an award of \$100,000 or more shall file the required certification with City. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the City.
2. If applicable, Contractor must sign and submit to the City the following certification:

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative

agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, _____, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap.38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official

Name and Title of Contractor's Authorized Official

Date

G. PROCUREMENT OF RECOVERED MATERIALS

1. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired:
 - a. Competitively within a timeframe providing for compliance with the contract performance schedule;
 - b. Meeting contract performance requirements; or
 - c. At a reasonable price.
2. Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
3. Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

1.35 CONTRACT PRICING

- A. Submitted prices shall include costs of submittal preparation, servicing of the account, all contractual requirements during contract period such as transportation, permits, insurance costs, bonds, labor, wages, materials, tools, components, equipment, and appurtenances necessary to complete the work, which shall conform to the best practice known to the trade in design, quality, material, and workmanship.
- B. Surcharges of any type will not be paid.
- C. If applicable, related additional products and corresponding services of benefit to the City not specifically required in a solicitation, but which Supplier offers to provide, may be included with the submittal. Supplier may request to add new products if the City approves them and Supplier can demonstrate the pricing is from the same pricing structure/profit margin.

- D. Unless specifically stated otherwise, only firm prices will be accepted and all prices shall remain firm during the term of a Contract.
- E. Price increases may at City's discretion be passed along during a contract period if the increase is mandated by statute, or the result of a tariff.
- F. By submitting prices, Supplier warrants prices equal to or better than the equivalent prices, terms, and benefits offered by Supplier to any other government unit or commercial customer.
- G. Should Supplier, during the term of a Contract, enter into any other contract, agreement or arrangement that provides lower prices, more favorable terms or greater benefits to any other government unit or commercial customer, the Contract with the City shall thereupon be deemed amended to provide the same price or prices, terms and benefits to the City. This provision applies to comparable products and purchase volumes by the City that are not less than the purchase volumes of the government unit or commercial customer that has received the lower prices, greater benefits, or more favorable terms.
- H. If at any time during the term of the Contract, Supplier reduces prices to other buyers purchasing approximately the same quantities stated on the Contract, Supplier will immediately notify the City purchasing manager of such fact, and the price(s) for future orders under the Contract shall be reduced accordingly.
- I. The City is entitled to any promotional pricing during the Contract period.
- J. Price decreases shall be immediately passed on to the City.
- K. The City reserves the right to increase or decrease the quantities of any item awarded pursuant to the Contract and pay according to the unit prices quoted in the submittal with no adjustments for anticipated profit.

1.36 APPROVED EQUALS WHEN ALTERNATES ARE ALLOWED

- A. Unless an item is indicated as "no substitute," special brands, when named, are intended to describe the standard of quality, performance, or use desired. Equal items will be considered by the City, provided that Supplier specifies the brand and model, and provides all descriptive literature, independent test results, specification sheets, schematic drawings, photographs, product samples, local servicing, parts availability, etc., to enable the City to evaluate the proposed equal. Performance testing in the field may be required.
- B. The decision of the City as to what items are equal shall be final and conclusive. If the City elects to purchase a brand represented by Supplier to be an "equal," the City's acceptance of the item is conditioned on the City's inspection and testing after receipt. If, in the sole judgment of the City, the item is determined not to be an equal, the item shall be returned at Supplier's expense.
- C. When a brand name or level of quality is not stated in Supplier's submittal, it is understood Supplier's submittal shall exactly confirm with those required in the Contract. If more than one brand name is stated in a Solicitation, Supplier(s) must indicate the brand and model/part number to be supplied.

1.37 RISK OF LOSS, SHIPPING AND DELIVERY

- A. Shipping. Prices must be quoted FOB destination (the place of destination as defined in RCW 62A.2-319, as that statute may hereafter be amended), with freight prepaid and allowed (shipping costs included in unit prices), and risk of loss remaining with Supplier until delivery is tendered.
- B. Delivery. Delivery will be to the designated addresses set forth in a Solicitation or as otherwise stated in the Contract. Deliveries shall be between 9:00 a.m. and 3:30 p.m., Monday through Friday only, except Legal Holidays. Failure to make timely delivery shall be cause for termination of the contract or order and return of all or part of the items at Supplier's expense except in the case of force majeure.

1.38 DELIVERY OF PRODUCTS AND PROVISION OF SERVICES – IDLING PROHIBITED

- A. The City of Tacoma has a commitment to reduction of unnecessary fuel emissions and improving air quality by reducing unnecessary air pollution from idling vehicles. Limiting car and truck idling supports cleaner air, healthier work environments, the efficient use of city resources, the public's enjoyment of City properties and programs, conservation of natural resources, and good stewardship practices.
- B. Vehicles and/or diesel fuel trucks shall not idle at the time and location of the delivery to the City of Tacoma for more than three minutes. The City requires contractors to utilize practices that reduce fuel consumption and emission discharge, including turning off trucks and vehicles during delivery of products to the City. Exceptions to this requirement include when associated power is necessary to

make a delivery or provide the service, when the engine is used to provide power to another device, and when a running engine is required for proper warm-up and cool-down of the engine.

1.39 PACKING SLIPS AND INVOICES

- A. Each invoice shall show City of Tacoma purchase order number, release number if applicable, quantity, unit of measure, item description, unit price and extended price for each line if applicable, services and deliverables provided if applicable. Line totals shall be summed to give a grand total to which sales tax shall be added, if applicable.
 - 1. For transactions conducted in SAP Ariba, invoices shall be submitted through Ariba.
 - 2. For invoices paid by ACH or by check, unless stated otherwise, invoices shall be electronically submitted by email with corresponding PO number listed in the subject line to accountspayable@cityoftacoma.org.
 - 3. For invoices paid by credit card, invoices shall also display the last name of the cardholder and last four digits (only) of the card number (e.g., Jones/6311). Unless stated otherwise, invoices shall be electronically submitted by email with corresponding PO number listed in the subject line to (do not combine different POs into one invoice or charge) to pcardadmin@cityoftacoma.org.
- B. Any terms, provisions or language in Supplier's invoice(s) that conflict with the terms of the Contract are superseded and shall not apply to the Contract unless expressly accepted in writing by the City.
- C. Packing slips and shipping notices shall be sent to the specific City Division or Department receiving the item(s) at the address stated in City's Solicitation or as otherwise stated in the Contract and include complete description of items, contents of items if crated or cased, quantity, shipping point, carrier, bill of lading number and City of Tacoma purchase order.
- D. Supplier shall package orders, preferably in environmental friendly packaging such as reduced packaging and recyclable packing materials.

1.40 COOPERATIVE PURCHASING

The Washington State Interlocal Cooperation Act RCW 39.34 provides that other governmental agencies may purchase goods and services based on the Contract with the City in accordance with the terms and prices of the Contract if all parties are agreeable. Each public agency shall formulate a separate contract with Supplier, incorporating the terms and conditions of the Contract with the City of Tacoma. The City shall incur no liability in connection with such contracts or purchases by other public agencies thereunder. It will be Supplier's responsibility to inform such public agencies of the Contract with the City. Supplier shall invoice such public agencies as separate entities.

1.41 TAXES

- A. Unless otherwise stated, applicable federal, state, City, and local taxes shall be included in the submittal and in contract as indicated below. As used herein, the term "taxes" shall include any and all taxes, assessments, fees, charges, interest, penalties, and/or fines imposed by applicable laws and regulations in connection with the procurement of goods and/or services hereunder.
 - 1. Federal Excise Tax. The City of Tacoma is exempt from federal excise tax. The City will furnish a Federal Excise Tax Exemption certificate, if required. If Supplier fails to include any applicable tax in its submittal, then Supplier shall be solely responsible for the payment of said tax.
 - 2. State and Local Sales Tax. The City of Tacoma is subject to Washington state sales tax. It is Supplier's obligation to state the correct sales tax percentage and include the applicable Washington state, city and local sales tax as a separate line item(s) in the submittal.
 - 3. City of Tacoma Business and Occupation Tax. It is Supplier's obligation to include City of Tacoma Business and Occupation tax in the unit and/or lump sum prices submitted; it shall not be shown separately on the submittal. Per Sub-Title 6A of the City of Tacoma Municipal Code, transactions with the City of Tacoma may be subject to the City's Business and Occupation Tax.
- B. Any or All Other Taxes. Any or all other taxes are the responsibility of Supplier unless otherwise required by law. Except for state sales tax, Supplier acknowledges that it is responsible for the payment of all taxes applicable to the Contract and Supplier agrees to comply with all applicable laws regarding the reporting of income, maintenance of records, and all other requirements and obligations imposed pursuant to applicable law.

- C. If the City is assessed, made liable, or responsible in any manner for taxes contrary to the provisions of the Contract, Supplier agrees to hold the City harmless from such costs, including attorney's fees. In the event Supplier fails to pay any taxes, assessments, penalties, or fees imposed by any governmental body, including a court of law, other than those taxes the City is required to pay, then Supplier authorizes the City to deduct and withhold or pay over to the appropriate governmental body those unpaid amounts upon demand by the governmental body. It is agreed that this provision shall apply to taxes and fees imposed by City ordinance. Any such payments shall be deducted from Supplier's total compensation.

1.42 COMPENSATION

- A. The City shall compensate Supplier in accordance with the Contract. Said compensation shall be the total compensation for Supplier's performance hereunder including, but not limited to, all work, services, deliverables, materials, supplies, equipment, subcontractor's fees and all reimbursable travel and miscellaneous or incidental expenses to be incurred by Supplier. Unless stated otherwise the total stated compensation may not be changed without a written change order or other form of contract amendment.
- B. Payment(s) made in accordance with the Contract shall fully compensate Supplier for all risk, loss, damages or expense of whatever nature, and acceptance of payment shall constitute a waiver of all claims submitted by Supplier.

1.43 PAYMENT TERMS

- A. Payment shall be made through the City's ordinary payment process, and shall be considered timely if made within 30 days of receipt of a properly completed invoice. All payments shall be subject to adjustment for any amounts, upon audit or otherwise, determined to have been improperly invoiced. The City may withhold payment to Supplier for any services or deliverables not performed as required hereunder until such time as Supplier modifies such services or deliverables to the satisfaction of the City.
- B. Invoices will not be processed for payment, nor will the period of cash discount commence, until all invoiced items are received and satisfactory performance of the Contract has been attained. Upon CITY'S request, Supplier shall submit necessary and appropriate documentation, as determined by the CITY, for all invoiced services and deliverables. If an adjustment in payment is necessary due to damage or dispute, the cash discount period shall commence on the date final approval for payment is authorized.

1.44 PAYMENT METHOD – EPAYABLES – CREDIT CARD ACCEPTANCE – EFT/ACH ACCEPTANCE

- A. Payment methods include:
1. EPayables (Payment Plus). This is payment made via a virtual, single use VISA card number provided by the City's commercial card provider. Suppliers accepting this option will receive "due immediately" payment terms. Two options for acceptance are available to suppliers. Both are accompanied by an emailed advice containing complete payment details:
 - a. Straight-through processing (buyer initiated). Immediate, exact payments directly deposited to supplier accounts by the City's provider bank; the supplier does not need to know card account details.
 - b. Supplier retrieves card account through the secure, on-line portal provided via email notifications sent by the City's commercial card provider.
 2. Credit card. Tacoma's VISA procurement card program is supported by standard bank credit suppliers and requires that merchants abide by the VISA merchant operating rules. It provides "due immediately" payment terms.
 - a. Suppliers must be PCI-DSS compliant (secure credit card data management) and federal FACTA (sensitive card data display) compliant.
 - b. Suppliers must be set up by their card processing equipment provider (merchant acquirer) as a minimum of a Level II merchant with the ability to pass along tax, shipping and merchant references information.
 3. Electronic Funds Transfer (EFT) by Automated Clearing House (ACH). Standard terms are net 30 for this payment method.
 4. Check or other cash equivalent. Standard terms are net 30 for this payment method.

- B. The City's preferred method of payment is by ePayables (Payment Plus) followed by credit card (aka procurement card). Suppliers may be required to have the capability of accepting the City's ePayables or credit card methods of payment. **The City of Tacoma will not accept price changes or pay additional fees when ePayables (Payment Plus) or credit card is used.**
- C. The City, in its sole discretion, will determine the method of payment for goods and/or services as part of the Contract.

1.45 NOTICES

Unless otherwise specified, except for routine operational communications, which may be delivered personally or transmitted by electronic mail, all notices required by the Contract shall be in writing and shall be deemed to have been duly given if delivered personally or mailed first-class mail, postage prepaid, to Supplier's registered agent and to the applicable City department representative.

1.46 INDEPENDENT CONTRACTOR STATUS

- A. Supplier is considered an independent contractor who shall at all times perform his/her duties and responsibilities and carry out all services as an independent contractor and shall never represent or construe his/her status to be that of an agent or employee of the City, nor shall Supplier be eligible for any employee benefits. No payroll or employment taxes or contributions of any kind shall be withheld or paid by the City with respect to payments to Supplier. Supplier shall be solely responsible for all said payroll or employment taxes and/or contributions including, but not limited to, FICA, FUTA, federal income tax, state personal income tax, state disability insurance tax and state unemployment insurance tax. If the City is assessed, made liable or responsible in any manner for such taxes or contributions, Supplier agrees to indemnify and hold the City harmless from all costs incurred, including attorney fees.
- B. Unless otherwise specified in writing, Supplier shall provide at its sole expense all materials, working space, and other necessities and instruments to perform its duties under the Contract. Supplier, at its sole expense, shall obtain and keep in force any and all applicable licenses, permits and tax certificates necessary to perform the Contract.

1.47 NONDISCRIMINATION

Supplier agrees to take all steps necessary to comply with all federal, state, and City laws and policies regarding non-discrimination and equal employment opportunities. Supplier shall not discriminate in any employment action because of race, religion, color, national origin or ancestry, sex, gender identity, sexual orientation, age, marital status, familial status, or the presence of any sensory, mental, or physical handicap. In the event of non-compliance by Supplier with any of the non-discrimination provisions of the Contract, the City shall be deemed to have cause to terminate the Contract, in whole or in part

1.48 REPORTS, RIGHT TO AUDIT, PERSONNEL

- A. Reports. Supplier shall, at such times and in such form as the City may reasonably require, furnish the City with periodic status reports pertaining to the services undertaken or goods provided pursuant to the Contract.
- B. Right to Audit. Upon City's request, Supplier shall make available to City all accounts, records and documents related to the scope of work for City's inspection, auditing, or evaluation during normal business hours as reasonably needed by City to assess performance, compliance and/or quality assurance under the Contract or in satisfaction of City's public disclosure obligations as applicable.
- C. Personnel. If before, during, or after the execution of a Contract, Supplier has represented or represents to the City that certain personnel would or will be responsible for performing services pursuant to the Contract, then Supplier is obligated to ensure that said personnel perform said Contract services to the maximum extent permitted by law. Substantial organizational or personnel changes within Supplier's firm are expected to be communicated to City immediately. Failure to do so could result in termination of the Contract. This provision shall only be waived by written authorization by the City, and on a case-by-case basis.

1.49 INSURANCE

- A. During the course and performance of a Contract, Supplier will provide proof and maintain the insurance coverage in the amounts and in the manner specified in the City of Tacoma Insurance Requirements as is applicable to the services, products, and deliverables provided under the Contract. The City of Tacoma Insurance Requirements document, if issued, is fully incorporated into the Contract by reference.

- B. Failure by City to identify a deficiency in the insurance documentation provided by Contractor or failure of City to demand verification of coverage or compliance by Contractor with these insurance requirements shall not be construed as a waiver of Contractor's obligation to maintain such insurance.

1.50 INDEMNIFICATION – HOLD HARMLESS

- A. Supplier agrees to indemnify, defend, and hold harmless the City of Tacoma, its officers, agents and employees, from and against any and all liability which may accrue to or be sustained by the City of Tacoma for any claim, suit or legal action made or brought against the City for the death of or injury to persons (including Supplier's or subcontractor's employees), or damage to property involving Supplier or subcontractor(s) and their employees or agents, or for any other cause arising out of and in connection with or incident to the performance of the Contract, except for injuries or damages caused by the sole negligence of the City. In this regard, Supplier recognizes it is waiving immunity under Industrial Insurance Law, Title 51 RCW. This indemnification includes attorney's fees and the cost of establishing the right to indemnification hereunder in favor of the City of Tacoma. By Supplier's acceptance of this order, he/she agrees that this subsection has been mutually negotiated.
- B. These indemnifications shall survive the termination of a Contract.

1.51 CONFLICT OF INTEREST

No officer, employee, or agent of the City, nor any member of the immediate family of any such officer, employee or agent as defined by City ordinance, shall have any personal financial interest, direct or indirect, in a Contract, either in fact or in appearance. Supplier shall comply with all federal, state, and City conflict of interest laws, statutes, and regulations. Supplier represents that Supplier presently has no interest and shall not acquire any interest, direct or indirect, in the program to which the Contract pertains that would conflict in any manner or degree with the performance of Supplier's services and obligations hereunder. Supplier further covenants that, in performance of a Contract, no person having any such interest shall be employed. Supplier also agrees that its violation of the City's Code of Ethics contained in Chapter 1.46 of the Tacoma Municipal Code shall constitute a breach of Contract subjecting the Contract to termination.

1.52 CITY OWNERSHIP OF WORK/RIGHTS IN DATA/PUBLICATIONS

- A. To the extent that Supplier creates any work subject to the protections of the Copyright Act (Title 17 U.S.C.) in its performance of a Contract, Supplier agrees to the following: The work has been specially ordered and commissioned by the City. Supplier agrees that the work is a "work made for hire" for copyright purposes, with all copyrights in the work owned by City. To the extent that the work does not qualify as a work made for hire under applicable law, and to the extent that the work includes material subject to copyright, Supplier hereby assigns to City, its successors and assigns, all right, title and interest in and to the work, including but not limited to, all copyrights, patent, trade secret and other proprietary rights, and all rights, title and interest in and to any inventions and designs embodied in the work or developed during the course of Supplier's creation of the work.
- B. Supplier shall be solely responsible for obtaining releases and/or licenses for the reproduction, distribution, creation of derivative works, performance, display, or other use of copyrighted materials. Should Supplier fail to obtain said releases and/or licenses, Supplier shall indemnify, defend, and hold harmless the City for any claim resulting there from.

1.53 DUTY OF CONFIDENTIALITY

Supplier acknowledges that unauthorized disclosure of information or documentation concerning the Scope of Work hereunder may cause substantial economic loss or harm to the City. Except for disclosure of information and documents to Supplier's employees, agents, or subcontractors who have a substantial need to know such information in connection with Supplier's performance of obligations under the Contract, Supplier shall not without prior written authorization by the City allow the release, dissemination, distribution, sharing, or other publication or disclosure of information or documentation obtained, discovered, shared or produced pursuant to a Contract.

1.54 DISPUTE RESOLUTION

In the event of a dispute pertaining to a Contract, the parties agree to attempt to negotiate in good faith an acceptable resolution. If a resolution cannot be negotiated, then the parties agree to submit the dispute to voluntary non-binding mediation before pursuing other remedies. This provision does not limit the City's right to terminate.

1.55 GOVERNING LAW AND VENUE

- A. Washington law shall govern the interpretation of the Contract. The state or federal courts located in Pierce County Washington shall be the sole venue of any mediation, arbitration, or litigation arising out of the Contract.
- B. Respondents providing submittals from outside the legal jurisdiction of the United States of America will be subject to Tacoma's City Attorney's Office (CAO) opinion as to the viability of possible litigation pursuant to a contract resulting from this Specification. If it is the opinion of the CAO that any possible litigation would be beyond reasonable cost and/or enforcement, the submittal may be excluded from evaluation.

1.56 ASSIGNMENT

Supplier shall not assign, subcontract, delegate or transfer any obligation, interest or claim to or under the Contract without the prior written consent of the City.

1.57 WAIVER

A waiver or failure by either party to enforce any provision of the contract shall not be construed as a continuing waiver of such provisions, nor shall the same constitute a waiver of any other provision of the Contract.

1.58 SEVERABILITY AND SURVIVAL

If any term, condition or provision herein or incorporated by reference is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable. The provisions of the Contract, which by their sense and context are reasonably intended to survive the completion, expiration or cancellation of the Contract, shall survive termination of the Contract.

1.59 NO CITY LIABILITY

Neither the City, its officials, staff, agents, employees, representatives, or consultants will be liable for any claims or damages resulting from any aspect of this procurement process.

1.60 SIGNATURES

A signed copy of Submittals, Contract documents, including but not limited to contract amendments, contract exhibits, task orders, statements of work and other such Contract related documents, delivered by email or other means of electronic transmission including by using a third party service, which service is provided primarily for the electronic execution of electronic records, shall be deemed to have the same legal effect as delivery of an original signed copy.