City of Phoenix, Arizona
Office of the City Engineer

REQUEST FOR QUALIFICATIONS

AVIATION ARCHITECTURAL CONSTRUCTION JOB ORDER CONTRACT

PROJECT NO. 4108JOC135

MAYOR
GREG STANTON

CITY COUNCIL

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DISTRICT NO. 2 – JIM WARING
DISTRICT NO. 3 – BILL GATES
DISTRICT NO. 4 – LAURA PASTOR
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CITY MANAGEMENT

CITY MANAGER ED ZUERCHER
CITY ENGINEER KINI L. E. KNUDSON, PE

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The City of Phoenix is seeking qualified Job Order Contractors to do business with the City of Phoenix on an "on-call" basis. This Job Order Contract (JOC) is for miscellaneous Aviation Architectural Construction work, as detailed below.

SECTION I – PROJECT DESCRIPTION

At a minimum, the contractor will be expected to successfully perform the following construction services, including but not limited to:

- Mechanical, electrical, plumbing
- Water and sewer
- Environmental Services (asbestos, mold, lead paint abatement, monitoring wells, etc.)
- Roofing, carpentry, painting and flooring
- Building and office remodels
- Demolition and new builds
- A.D.A. retrofit work
- Providing design services for small projects and investigative work (scanning, calculations, etc.)
- Energy systems, fire alarms, ACAMS, lighting and controls, CCTV and other related Technology
- Signage and infrastructure
- Fencing and landscaping

Contractor will be required to provide scheduling and work directly with Primavera Unifier, the Aviation Department's project management software. They must also adhere to the Aviation Department's Green Guide as applicable.

This JOC will be for a 36-month duration or $15,000,000, whichever occurs first. The JOC will include an option to renew, based on: the Contractor's satisfactory performance, the City's need for additional services, and funding availability. The option to renew will be for an additional 24-month term or the balance of the maximum contract amount of $25,000,000 including all JOC amendments. The City intends that each Job Order performed under this JOC will not exceed $500,000 in construction costs, but in no event will any Job Order exceed $2,000,000 subsequent to Council approval of the change in limits. Up to two Contractors may be selected for this JOC based on the City's workload.

The Contractor is required to provide performance and payment bonds for the amount of each Job Order proposal prior to executing the Agreement. The Contractor is required to provide bonds in an amount up to $2,000,000.

During the term of the JOC, work is performed as a series of individual Job Orders. Each Job Order, initiated by the City, is defined cooperatively by the City and the Contractor. A scope, schedule, and price are agreed upon, and the Contractor is directed to proceed with the work. Job Orders may include pre-construction services, construction work, project management and contract administration as comprised within the Contractor's construction management plan.

SECTION II – SCOPE OF WORK

The scope of work will vary with each Job Order. Minor design services may be required for some Job Orders, however, most will be designed through consultants under a separate contract with the City. City staff may design some projects.

For Job Orders that may require design services, the Contractor shall seek the services of an Arizona registered professional architect and/or engineer to prepare plans for permitting. It is the responsibility of the Contractor to provide cost estimating, project scheduling for design, construction and/or maintenance, and obtain permits if needed from the appropriate City departments. The Contractor is also responsible for:

- Knowledge of and compliance with current City of Phoenix adopted codes
- All other work as it relates to this JOC, and
- All work incidental to this JOC

Prior to each Job Order Agreement, a scope of work conference may be scheduled to define design and construction services required of the Contractor.

The City of Phoenix will provide construction administration, inspection, and acceptance material testing for the Job Orders.

Assumptions about Job Orders:

- All sites will be in the State of Arizona.
- The Contractor will furnish all necessary tools and test equipment required for the performance of its work in accordance with the site models listed within the scope of work.
- All customer-provided documentation is obtained within a reasonable time at project start.
- All customer-required approvals are provided within a reasonable and mutually agreed upon time frame.
- Any work required at each site outside of this scope of work will be performed in accordance with the adjustment process.

SECTION III - PRE-SUBMITTAL CONFERENCE

A pre-submittal conference will be held on Thursday, February 18, 2016, at 2:00p.m., local time, at Phoenix Sky Harbor International Airport Facilities & Services Building, 2nd Floor Conference Rooms A & B, located at 2515 E. Buckeye Road, Phoenix, Arizona 85034. At this meeting, staff will discuss the scope of work, general contract issues and respond to questions from the attendees. As City staff will not be available to respond to individual inquiries regarding the project scope outside of this pre-submittal conference, it is strongly recommended that interested firms send a representative to the pre-submittal conference.

SECTION IV – STATEMENT OF QUALIFICATIONS EVALUATION CRITERIA

The JOC Contractor will be selected through a one-step qualifications-based selection process, based on the following criteria:

A. General information (15 points)

1. Provide a general description of the firm that is proposing to provide the requested services under this Job Order Contract. Explain the legal organization of the proposed firm or team.
2. Provide the following information:
   a. List the Arizona contractor licenses held by the firm and the key personnel who will be assigned to this project. Provide the contractor license number. Reference the appropriate licenses held. In order to be considered for this project**, the contractor must hold the**

correct license as deemed appropriate by the Arizona Registrar of Contractors prior to submitting an SOQ for this project in accordance with Arizona Revised Statute §32-1151.

b. Identify the location of the firm's principal office and the home office location of key staff on this project.

c. Identify any contract or subcontract held by the firm or officers of the firm, which has been terminated within the last five years. Identify any claims arising from a contract which resulted in litigation or arbitration within the last three years. Briefly describe the circumstances and the outcomes.

d. Provide an organization chart showing the qualifying contractor, and the contractor's key personnel down to the superintendent level. If a specific subcontractor will be utilized for all work of a certain type include information on this subcontractor. (The organizational chart is included in the page limitation.)

B. Experience and qualifications of the firm (25 points)

1. Identify at least three comparable projects in which the firm played a major role. The projects listed should show the breadth of the firm's experience and demonstrated capabilities and show the experience in managing multiple trade subcontractors, vendors, and suppliers. For each comparable project identified, provide:

   a. Description of project
   b. Role of the firm either as prime or subcontractor
   c. Project's construction cost
   d. Construction dates (identify if this included phased construction)
   e. Project Owner
   f. Reference information (two current names with telephone numbers per project)

2 List all City of Phoenix projects by name only where the firm provided general construction services in the last five years either completed or ongoing.

C. Experience of key personnel to be assigned (20 points)

1. For each key person identified, list their length of time with the firm and at least two comparable projects in which they have played a primary role. If a project selected for a key person is the same as one selected for the firm, provide just the project name and the role of the key person. For other projects provide the following:

   a. Description of project
   b. Role of the person
   c. Project's construction cost
   d. Construction dates
   e. Project Owner
   f. Reference information (two current names with telephone numbers per project)

2. List any proposed subcontractors, including key staff names and the experience and qualifications of these individuals.

D. Approach to performing the required services (30 points)

1. Describe the firm's project management approach including its perspective and experience on partnering, quality control, project scheduling, claims, dispute resolution, changes in the scope of work, and construction safety.

2. Describe systems used for planning; project engineering; and scheduling, estimating, and managing construction.

3. Provide a proposed subcontractor selection plan. The selection plan must select subcontractors based on qualifications alone or on a combination of qualifications and price and shall not select subcontractors based on price alone. Describe how you intend to implement this subcontractor selection plan. Discuss the benefit that your subcontractor selection plan provides to the project.

E. Overall evaluation of the firm and its ability to provide the required services (10 points)

Overall evaluation of the firm's capability to provide the required services as determined by the selection panel members. No additional submittal response is required.

SECTION V – SUBMITTAL REQUIREMENTS

Firms interested in this project should submit a Statement of Qualifications (SOQ). Submittal requirements are as follows:

☑ **Cover Letter:** Provide a cover letter which includes full firm company name, address, phone number and the email address of your contact person for the project.

☑ **Evaluation Criteria:** Address the SOQ evaluation criteria and include a project organizational chart.

☑ **Additional Content:** Resumes and other information may be included *(content shall be included within the permitted maximum page limit*).

☑ **Bonding Statement:** In a separate sealed envelope to be included in your submittal, provide a statement from a Surety Company (A- or better for the prior four quarters) stating the company's bonding capacity. *(This bond statement will not be counted towards the maximum number of pages)*.

☑ **Submittals:**

- **Include a statement of firm's bonding capacity** in a separate sealed envelope along with your SOQ submittal.
- Clearly display the firm name, project title, and project number on the cover of the SOQ and submittal package.
- Submittals must be placed in the depository located in the reception area on the 6th Floor of Phoenix City Hall by the submittal due date/time.
- All submittals must be addressed to:

Kini L. E. Knudson, PE, City Engineer
City of Phoenix
200 West Washington Street, 6th Floor
Phoenix, AZ 85003-1611
c/o Liz Blakley

- Provide **9 copies** of the Statement of Qualifications.
- A maximum of 12 **pages** is permitted to address all content in the SOQ submittal ***(maximum page limit includes evaluation criteria and all additional content)***.
- Submit the Statement of Qualifications by **12:00 noon, local time, on Thursday, March 3, 2016.**
- Paper Size shall be 8½ " x11"
- Font size may not be less than 10 point
- Each side of a page containing evaluation criteria and additional content will be counted toward the maximum page limit noted above
- Pages that have project photos, charts and/or graphs will be counted towards the maximum page limit noted above
- Front and back covers, cover letter, Table of Contents pages, and divider (tab) pages will NOT be counted toward the maximum page limit noted above, unless they include evaluation criteria and additional content that could be considered by the selection panel

Note: All pages exceeding the specified maximum page limit will be removed from the submittal and not considered in evaluating a submitted SOQ.

GROUNDS FOR DISQUALIFICATION:
Please be advised that the following **will be grounds for disqualification,** and will be strictly enforced:

- Receipt of submittal after the specified cut-off date and time
- Too few copies of the submittal
- Deposit of submittal in the wrong location
- Violating the "Contact with City Employees" policy contained in this RFQ
- Failure to provide bonding statement

SECTION VI – SELECTION PROCESS AND SCHEDULE

The successful firms will be selected through a qualifications based selection process. Interested firms will submit a Statement of Qualifications (SOQ). A Selection Panel will evaluate each SOQ according to the criteria set forth in Section IV above. Finalists from the SOQ evaluation will be invited to participate in detailed interviews. An invitation letter to each finalist will provide the evaluation criteria to be used during the interview presentation. Interview evaluations to select the highest qualified firms are final and do not include scores from the SOQ evaluation process. The City may conduct a due diligence review on the firms receiving the highest evaluation.

The City expects to create a final list of at least three, but not more than five firms for this project. The City will enter into negotiations with the selected firm and execute a contract upon completion of negotiation of contract terms for City Council approval.

The following tentative schedule has been prepared for this JOC. Firms interested in this JOC must be available on the dates as specified below.

Pre-submittal meeting	February 18, 2016
SOQs due	March 3, 2016
Interview	April 13, 2016
Job Order Workshop	May 2016

If the City is unsuccessful in negotiating a JOC with the most-qualified firm(s), the City may then negotiate with the next most qualified firm until a JOC is executed, or the City may decide to terminate the selection process. Once a JOC is executed with the successful firm, the procurement is complete.

Firms on the short list for interviews for this project will be notified directly by the City. Notification to all other firms on the status of a short list for this project will be posted on the Street Transportation Department "Project Interviews" website:

https://www.phoenix.gov/streets/procurement/project-interviews

Firms selected for this project will be notified directly by the City. Notification to all other firms on the status of a selection on this project will be posted on the City of Phoenix Street Transportation Department's "Recent Awards by Project Number" website:

https://www.phoenix.gov/streets/procurement/bid-results

SECTION VII – SBE REQUIREMENTS

This JOC will be subject to the City of Phoenix Code, Chapter 18, Article VI, pertaining to participation of Small Business Enterprises (SBE) firms in subcontracting opportunities on the Project. Firms that have been certified by the City of Phoenix Equal Opportunity Department are eligible to meet the SBE subcontracting goals.

Please refer to Exhibit A for further SBE information.

SECTION VIII – GENERAL INFORMATION

Citywide Capital Improvement Projects - Consulting and contractor services supporting the City's Capital Improvement Projects are procured under the authority of the City Engineer, currently located within the Street Transportation Department (STR). The STR Contract Procurement Section coordinates the citywide consulting and construction contracting procurement processes.

Planholder Lists - All firms who download the Request for Qualifications packet for this project from the "Current Opportunities" webpage will be listed on the project's Planholder List. This report is available within the project folder. The website address is:

https://www.phoenix.gov/streets/procurement/current-opportunities

Firms receiving a copy of the Request for Qualifications (RFQ) through any other means must download the RFQ from the City webpage and register as a planholder for the project.

Changes to Request for Qualifications - ***Any changes to this Request for Qualifications will be in the form of a Notification Letter.*** The City of Phoenix shall not be held responsible for any oral instructions. Notification Letters are available within the project folder. The address is:

https://www.phoenix.gov/streets/procurement/current-opportunities

It shall be the responsibility of the registered RFQ holder to determine, prior to the submittal of the Statement of Qualifications, if Notification Letters have been issued. Registered RFQ holders may refer to the webpage or call the Contract Specialist (listed below) in order to ascertain if Notification Letters have been issued for this project.

Alternate Format - For more information or a copy of this publication in an alternate format, contact the Contract Specialist (listed below) - Voice or 602-256-4286 – TTY. Requests will only be honored if made within the first week of the advertising period.

Release of Project Information - The City shall provide the release of all public information concerning the project, including selection announcements and contract awards. Those desiring to release information to the public must receive prior written approval from the City.

City Rights - The City of Phoenix reserves the right to reject any or all Statements of Qualifications, to waive any informality or irregularity in any Statement of Qualifications received, and to be the sole judge of the merits of the respective Statements of Qualifications received.

Contact with City Employees - Beginning on the date the RFQ is issued and until the date the contract is awarded or the RFQ withdrawn, all persons or entities that respond to the RFQ, including their authorized employees, agents, representatives, proposed partner(s), subcontractor(s), joint venture(s), member(s), or any of their lobbyists or attorneys (collectively the Proposer), will refrain from any direct or indirect contact with any person (other than the designated Contract Specialist) who may play a part in the selection process, including members of the evaluation panel, the City Manager, Assistant City Manager, Deputy City Managers, Department heads, the Mayor and other members of the Phoenix City Council. As long as the RFQ solicitation is not discussed, Proposers may continue to conduct business with the City and discuss business that is unrelated to this RFQ solicitation with City staff.

Proposers may discuss their proposal or the RFQ solicitation with the Mayor or one or more members of the Phoenix City Council, provided such meetings are scheduled through the Contract Specialist (listed below), conducted in person at 200 West Washington, Phoenix, Arizona 85003, and are posted as open meetings with the City Clerk at least twenty-four (24) hours prior to the scheduled meetings. The City

Clerk will be responsible for posting the meetings. The posted notice shall identify the participants and the subject matter, as well as invite the public to participate.

This policy is intended to create a level playing field for all Proposers, assure that contracts are awarded in public, and protect the integrity of the selection process. **OFFERORS THAT VIOLATE THIS POLICY WILL BE DISQUALIFIED.**

Conflict of Interest - The City reserves the right to disqualify any Proposer on the basis of any real or apparent conflict of interest that is disclosed by the proposal submitted or any other data available to the City. This disqualification is at the sole discretion of the City. Any Proposer submitting a proposal herein waves any right to object now or at any future time, before anybody or agency, including but not limited to, the City Council of the City of Phoenix or any court.

Data Confidentiality - Except as specifically provided in the Contract, the JOC Contractor or its subcontractors shall not divulge data to any third party without prior written consent of the City.

Legal Worker Requirements - The City of Phoenix is prohibited by A.R.S. § 41-4401 from awarding a contract to any JOC Contractor who fails, or whose subcontractors fail, to comply with A.R.S. § 23-214(A). The JOC Contractor and each subcontractor shall comply with all federal immigration laws and regulations related to their employees and compliance with the stated law. The City of Phoenix retains the legal right to inspect the papers of any JOC Contractor or subcontractor employee who is awarded a contract to ensure that the JOC Contractor or subcontractor is complying with the law.

Lawful Presence Requirement - Pursuant to A.R.S. §§ 1-501 and 1-502, the City of Phoenix is prohibited from awarding a contract to any natural person who cannot establish that such person is lawfully present in the United States. To establish lawful presence, a person must produce qualifying identification and sign a City-provided affidavit affirming that the identification provided is genuine. This requirement will be imposed at the time of contract award. This requirement does not apply to business organizations such as corporations, partnerships or limited liability companies.

Worker Background Screening - The JOC Contractor and its subcontractors awarded a JOC shall perform Background Screening for all employees providing services for the project. The Background Screening provided by JOC Contractor and subcontractors shall comply with A.R.S. § 41-4401, and all applicable laws, rules and regulations. In addition to the Background Screening performed by the JOC Contractor and subcontractors, the City reserves the right to require the JOC Contractor and subcontractors provide fingerprints and execute other documentation as necessary to obtain criminal justice information pursuant to A.R.S. § 41-1750(G)(4) or Phoenix City Code § 4-22.

Badge Access Requirements - The JOC Contractor and subcontractor shall not be allowed to begin work in a City facility without prior completion and City's acceptance of the required background screening; and when required, the JOC Contractor's and subcontractor's receipt of and payment for a City issued badge.

Protest Procedures - Firms wishing to respond to disqualification or a procurement outcome may refer to The Code of the City of Phoenix Chapter 2, Article XII, Section 2-188 which governs protest procedures utilized throughout the selection process. The procedures may be reviewed through the City of Phoenix website at:

http://www.codepublishing.com/az/phoenix/

Good Standing - Any JOC Contractor that currently contracts with the City must be in good standing for its Statement of Qualifications (SOQ) to be considered responsive. For the purpose of the RFQ, good standing refers to compliance with all contractual provisions, including payment of financial obligations.

Questions - Questions pertaining to this selection process or contract issues should be directed to the Contract Specialist, Liz Blakley at (602) 681-5317.

EXHIBIT A
SMALL BUSINESS ENTERPRISE PROGRAM

(ATTACHED)

City of Phoenix

Small Business Enterprise Program

The City of Phoenix Small Business Enterprise Program (SBE) is managed and administered by the Equal Opportunity Department, Contract Compliance Division. Phoenix is one of the fastest growing, multicultural cities in the country and has shown a historical commitment to business diversity. The City strives to advance the economic growth of local businesses through its Small Business Enterprise (SBE) Program.
Through a coordinated effort among several city departments, the SBE Program provides SBE certification, procurement opportunities, construction subcontracting utilization, small business management and technical assistance and educational services and networking opportunities.

JOB ORDER CONTRACT CLAUSE
PROJECT #: 4108JOC135 **CONTRACT #: TBD**

PROJECT NAME: Aviation Architectural Construction JOC

The Small Business Enterprise (SBE) participation goal for this project is as follows:
SBE Required Goal = 13%

An annual SBE subcontracting participation goal of **13%** has been established under this Agreement. The Job Order Contract (JOC) Prime Contractor is required to make good faith efforts to utilized certified SBE firms to achieve this goal on each Job Order Agreement (JOA) and shall provide good faith effort to meet the above stated goal annually during each year of the contract and overall over the term of the contract.

Failure to meet the required annual goal without sufficient demonstration of good faith efforts shall be deemed as a breach the SBE provisions of this JOC.

The JOC Prime Contractor agrees if the Equal Opportunity Department determines that the contractor will fail, or has failed, to meet the SBE subcontracting goals, and/or has failed to act in good faith to ensure compliance with the SBE provisions contained herein as **Exhibit 1**; it shall deem the contractor "noncompliant" and not in good standing with this City contract.

A noncompliant status shall result in the rejection of all future contract bids or offers for all projects or other procurements with the City until such time that the contractor has cured its breaches and demonstrates that it has faithfully performed its approved SBE utilization plan and all other provisions of this article required to be deemed in good standing. In addition, the City may also exercise its option to impose any or all of the following remedies:

- Withholding from the contractor ten percent (10%) of all future payments on the involved eligible project until it is determined that the contractor is in compliance.
- Withholding from the contractor all future payments on the involved project until it is determined that the contractor is in compliance.

Failure to cure a non-compliance status by the date provided by the City may result in further action, including but not limited to any or all of the following penalties:

- Rejection of all future bids or offers from the contractor for any eligible project with the City or any of its departments or divisions for a period of (1) year after termination of the contract.
- Cancellation of the contract.

EXHIBITS

SECTION I. SBE PROGRAM DEFINITIONS

Bidder is an individual, partnership, joint venture, limited liability company, corporation, or firm submitting a proposal or bid to the City of Phoenix to perform services or provide goods required by the contract. The submittal may be direct or though an authorized representative.

Broker is defined as a firm that arranges or expedites services or transactions through the use of individuals not directly employed by the company. Brokers are not regular suppliers. Only costs associated with the fees and commission paid to the certified firm for providing such services may be applied towards the SBE contract goal.

Commercially Useful Function means that an SBE prime contractor or subcontractor is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. An SBE must perform at least 75% of the total cost of its contract with its own work force in order to be determined to be performing a commercially useful function on the contract.

Contract is a written agreement obligating the seller or business enterprise to furnish goods or services as proposed to the Purchaser, and obligating them to pay for such goods or services.

Manufacturer means a firm that operates or maintains a factory or establishment that produces, on the premises, the materials, supplies, articles, or equipment required under the contract.

Proposed SBE Subcontracting Participation Percentage means the sum of all proposed SBE Utilization shall be the numerator and the Total Base Bid shall be the denominator.

Purchaser or Buyer means, for purposes of this contract, the City of Phoenix.

Supplier is defined as firm that has an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question. A supplier is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business (Wholesaler and Regular Dealer also fall under this category).

Small Business Enterprise means a business with gross receipts or number of employees consistent with the definition of a small business as defined in Chapter 18, Article VIII of the Phoenix City Code AND has been certified as a SBE with the City of Phoenix.

Subcontract is a contract at any tier below the prime contract, including purchase orders.

Submitter is an individual, partnership, joint venture, corporation, or firm providing a submittal to the City to perform services required by the contract. The submittal may be direct or through an authorized representative.

Total Base Bid means "The total of all the unit prices, or the lump sum total, including contingencies and allowances as determined by the City."

SECTION II. GENERAL REQUIREMENTS

A. The Contractor agrees to meet the SBE annual goal established for this Contract by making opportunities available for SBE firms to participate in the work of Job Orders each year that the contract is in force. In the case of multi-year contracts, the established SBE goal must be met each year the contract is in force.

B. The contractor shall participate in compliance reviews as determined necessary by the City. This includes, but is not limited to participating in on-site reviews, providing signed copies of subcontracts and/or purchase orders with each SBE listed on the Contractor's Statement of Proposed SBE Utilization form, completing monthly payment audit reports on the City's online database. Reports are to reflect the participation of all SBE and non-SBE subcontractors that has occurred during each audit period. In addition to the above, the Contractor shall comply with any and all requests for information the City deems appropriate for effectively monitoring this contract for compliance with the SBE Program requirements. **All Monthly audit reports are to be completed online by the 15th of every month.** (https://phoenix.diversitycompliance.com).

C. The Contractor shall provide a Statement of Proposed SBE Utilization form identifying the SBE subcontractors that will be utilized on each Job Order Agreement to meet the required annual contract goal.

D. The contractor shall not withhold monies from subcontractor as part of retention on this job order contract. In cases where the City is withholding monies from the Contractor for this purpose, Contractor may only hold that percentage which is being held by the City. Any reduction of retention by the City to the contractor shall result in a corresponding reduction to subcontractors or suppliers who have performed satisfactory work. The contractor has 14 days from the date their retention reduction takes affect to reduce retention to the subcontractors.

E. **ONLY** firms certified by the City of Phoenix under Chapter 18, Article VIII of the Phoenix City Code are eligible to fulfill the SBE subcontracting goal established for this Job Order Contract. A directory of all eligible certified SBE firms is available online at https://phoenix.diversitycompliance.com

F. SBE participation may only be counted in trade, product, or service areas for which the firm has been certified. The directory web site identifies the trade, product, and/or service areas performed or supplied by each certified SBE that may be counted towards meeting the utilization goals on this contract.

G. The Contractor shall not remove, or reduce the scope of work or value for the certified SBE firms listed on the Statement of Proposed SBE Utilization form, without prior written approval of the Contract Compliance section of the City of Phoenix Equal Opportunity Department.

H. If a firm is not certified at the time the Statement of Proposed SBE Utilization form is required for submittal, that firm's participation will not be counted towards meeting the annual and Contract SBE goal.

SECTION III. GOOD FAITH EFFORTS TO MEET SBE GOAL

A. The following documentation is required to demonstrate that a good faith effort has been made to engage SBE subcontractors in the performance of this Contract:

- Copy of notification sent to SBE firms that the Contractor has subcontracting opportunities and is requesting subcontractor bids. This should include the scope of work to be bid and performed on the project.
- Documentation of each SBE firm contacted and the responses of the SBE firms or other action taken as a result of the contact. Documentation of contact with SBE firms may include, fax logs, telephone logs, mail receipts, etc, including documentation of the number of times that firms were contacted, the dates of contact, and the name, phone number, fax number, and address of the contact person associated with each SBE firm
- Documentation of bid responses/quotes from all subcontractors who bid to perform work on the project in the areas that SBE firms were also bidding on, including information regarding the reasons why SBE bids were not considered.
- Maintenance of all records reflecting the Contractor's efforts to obtain SBE participation through contact with SBE contractor organizations and/or with SBE assistance organizations.
- Sub-division of Job Order work into smaller, economically feasible segments to facilitate the participation of SBE firms.

B. The following factors are illustrative of matters which the City of Phoenix will consider in judging whether the Contractor made good faith efforts on this contract:

- The number of contacts attempted or made with SBE firms that perform in trade areas where subcontracting work was available.
- The timeliness of contacts made with SBE firms so as to allow the firms a reasonable amount of time to respond.
- Attempts made to break down portions of the Job Orders and/or Contract into economically feasible units to facilitate SBE participation.
- Whether the Contractor negotiated in good faith with interested SBE's and did not reject a bid as unqualified without sound reason.

C. Nothing in this clause shall be construed to require the utilization of SBE firms that are not qualified or available to perform work. The JOC Contractor is responsible for compliance with state law which requires that only licensed contractors work on this Job Order. Suppliers, manufacturers, and service providers do not require a license.

SECTION IV. ANNUAL SBE GOAL ATTAINMENT REVIEW

A. At a minimum, the City will conduct an annual review of the performance of the Contractor in achieving the annual and Contract SBE goal.

B. The Contractor will be required to provide to the City information related to its good faith efforts to identify, contract with, and utilize certified SBE firms in the performance of Job Order work on the contract. This information may include, but is not limited to, the number and dollar value of all Job Orders issued, a record of contacts made to solicit the participation SBE firms, and a listing of all subcontractors performing work on each Job Order including the dollar value of subcontracted work.

C. The Equal Opportunity Department will perform annual reviews of the SBE participation on this contract to determine if the Contractor is in compliance with meeting the annual SBE goal requirement. Results obtained from these reviews will be provided to the Contractor and the Goal Setting Committee, made up of members of the Street and Equal Opportunity (EOD) Departments.

D. The City may, at its discretion, conduct a review at any time during the course of the contract. The Contractor agrees to participate fully in such reviews and provide all information required for the City to determine the Contractor's compliance with the SBE requirements of the Contract.

SECTION V. COUNTING SBE PARTICIPATION

A. Participation on the contract will be calculated based on that portion (dollar value) of the Contract that SBE firms actually perform with their own forces. This includes the cost of supplies and materials obtained by an SBE firm for the work the firm will perform, **except** when supplies and/or equipment is purchased or leased from the Contractor or its affiliate.

B. Expenditures that may be counted in full towards meeting the SBE goal are:

- Monies paid to certified SBE firms that operate and maintain an establishment or factory to produce, on the premises, the materials or supplies purchased for the contracts.
- Expenditures to certified SBE firms that operate and maintain a factory or facility that substantially alters materials or supplies to meet the specifications of the contract before resale.
- Expenditures to certified SBE firms, including fees and commissions charged to provide bona fide technical and professional personnel recruitment for the Contract. The total cost must be comparable to the industry charges customarily charged for the same or similar services.
- Expenditures to certified SBE firms, including fees and commissions, charged to provide bonds and insurance specifically required for the performance of the Contract.

C. There is a limitation on the use of regular suppliers and brokers to fulfill the SBE goal established for this Contract. For purposes of this Contract, suppliers and brokers shall be defined in accordance with Section I of this Clause.

D. Proposed expenditures to brokers and suppliers can be used to meet the utilization goal, provided that expenditures do not exceed 25 percent (25%) of the total SBE goal requirement. Contractors may count one hundred percent (100%) of the dollars proposed to be paid to a SBE supplier, and all costs associated with the fees and commission to be paid to a SBE broker. The combined SBE utilization in these two areas may not exceed the 25% limitation.

Example: *An SBE goal of 10% has been established on a project where the contractor has submitted a base bid of $1,000,000. This results in a dollar goal of $100,000 to be subcontracted to SBE's. The contractor proposes to contract with a SBE supplier for $100,000. Only $25,000, or 25 percent (25%), may be counted towards achievement of the SBE goal for this project. The remaining $25,000 must be achieved through the use of firms that are not suppliers or brokers.*

E. Payments to brokers, or expenditures for product or services made to a SBE business that is not a supplier or regular dealer as defined herein may only be counted up to the dollar amount actually retained as fees and commissions. The funds that flow through the broker to other firms for the product or services being supplied may not be counted.

Example*: A firm providing uniformed offices for security or traffic control charges the Contractor $30 per hourly for the services of the uniformed officers. The officers are not direct employees of the broker but are "at will" contractors. They are paid a flat rate of $21 per hour and are responsible for their own employment taxes on these monies earned. Only the $9 retained by the broker as fees and commissions can be counted towards meeting the SBE goal.*

F. Trucking & Hauling**:** The amount of a trucking/hauling subcontract that may be counted towards the utilization requirements may be limited.

- An SBE must itself own and operate at least one fully licensed, insured, and operational truck that will be used on the contract. In addition, trucks the SBE leases as part of a long-term leasing agreement may be counted as part of the trucking firm's workforce with the following conditions. Contractors may receive full credit for the work the SBE firm performs with trucks it leases on a long-term basis from another SBE firm. Contractors may also count the work performed by Non-SBE trucks the SBE leases, up to the value of transportation services provided on the contract by all the trucks the SBE owns and leases from other SBE firms. All Non-SBE trucks leased on a long-term basis must be operated by employees of the SBE trucking firm. Any additional non-SBE leased trucks may only be credited for the fees or commissions the SBE subcontractor retains over and above the cost of the lease arrangement. **All leasing agreements must be reviewed and approved by the Equal Opportunity Department prior to the subcontractor starting work.**

Example: *A* SBE *trucking firm uses seven trucks on a job. Two are owned by the* SBE *and one is leased from another certified* SBE *firm. Four trucks are leased from a non-* SBE*. The amount paid to the* SBE *for the services of three of the* SBE *trucks can be counted in full towards meeting the* SBE *requirements. Only the brokerage fees that the* SBE *subcontractor receives for leasing the remaining truck(s) may be counted as* SBE *utilization.*

SECTION VI. SBE PRIME CONTRACTOR

A Contractor that has been granted SBE certification with the City of Phoenix can not meet the SBE goal through the work that it self-performs. The goal can only be met through goods or services that are sublet other eligible SBE firms.

SECTION VII. RECORDS AND REPORTING REQUIREMENTS

A. During the performance of the work under the Contract, the Contractor shall keep such records as are necessary to determine compliance with its SBE goal obligations.

B. The Contractor shall provide to the Equal Opportunity Department copies of all purchase orders, invoices, and/or contracts with SBE subcontractors or suppliers that perform work or supply goods or services for Job Order work on this Contract.

C. During the term of the Contract, the Contractor shall complete timely audit reports related to the participation of (SBE as well as non-SBE) subcontractors and suppliers in such a manner, form, and content as prescribed by the City of Phoenix.

D. For each Job Order Agreement, the contractor shall provide a completed and signed:

1. **Contractor's Statement of Proposed SBE Utilization** - The form shall document the name of each SBE firm that will be awarded a subcontract; services to be performed by each subcontractor; dollar amount to be paid for those services; and the total dollar amount that is being proposed in SBE participation.

2. **A Letter of Intent to Perform as a SBE Subcontractor/Supplier** (required for each SBE subcontractor/supplier proposed) The form shall be completed by the SBE firm that will be awarded the subcontract The form documents services to be performed by the subcontractor/suppler and the total dollar amount of the subcontract that will be awarded to the SBE. Only the services performed in the area(s) described by the SBE's certification description can be counted towards the SBE goal requirement.

City of Phoenix

Small Business Enterprise Program

Subcontract Assurances

The following applies to contracts with **Small Business Enterprise Program** ***(JOC)*** requirements.

Each contract signed by the Agency and the Successful Bidder and each subcontract signed by the Successful Bidder with a Subcontractor, including Subcontractors with lower tier Subcontractors must include the following assurances verbatim:

Prompt Payment of Subcontractors *The Contractor and Subcontractor shall promptly pay its lower tier subcontractors, sub consultants, or suppliers upon receipt of payment from the City of Phoenix (Agency).*

Progress Payments: In accordance with the Arizona Revised Statues (ARS), Section 34-221(G), the Contractor(s) shall promptly pay its subcontractors, sub consultants, or suppliers within seven (7) calendar days of receipt of each progress payment from the Agency. Any diversion by the Contractor(s) of payments received for work performed on the contract, or failure to reasonably account for the application or use of such payments, constitutes grounds for a declaration of breach of the contract with the Agency.

Changes to Subcontracts and Values *The City of Phoenix prohibits Contractor(s) from altering the Contractor's Statement of Proposed SBE Utilization form without receiving prior, written consent from the City. The Equal Opportunity Department must be informed, in writing, and in advance of the following:*

- *Reduction to the scope of work to be performed by subcontractors working on the contract*
- *Changes in any of the subcontract values resulting in a reduced dollar amount*
- *Replacement and/or release of any subcontractor after contract award*

Contractor(s) and Subcontractor(s) are required to complete a Request for Exemption Form and have the written approval of the Contract Compliance Office prior to taking action on any of the above listed matters related to SBE subcontractors.

In the event that any provision of this subcontract varies from the provisions of the contract or subcontract, the provisions for SBE contract compliance as contained in Administrative Regulation 1.89, Section IX, shall provide definitive guidance.

Disclaimer: *Nothing in this section prevents the Contractor or Subcontractor from enforcing its subcontract with a lower tier Subcontractor or supplier for defective work, late performance, and other claims arising under the Subcontract.*

City of Phoenix

Small Business Enterprise Program

CONTRACTOR'S STATEMENT OF PROPOSED SBE UTILIZATION - JOB ORDER CONTRACTS (JOC)

JOA #: _____ Contract #: _____ Project #: _____ Project Description: _____ Job Order Proposal Amount: $_____	**Required Annual SBE Goal** **_____%**

Please list the SBE firms that will be utilized on the Job Order Agreement to meet the required goals.
Use a separate form for each JOA that is part of the overall contract. For JOA's in which no SBE firms are to be used, list "none" in the spaces below. **The SBE firms listed below must be certified with the City of Phoenix as of the proposal date or their subcontract amount will not be counted towards meeting the required goals.**

COMPANY NAME	Scope of Work to be Performed	Supplier (may not satisfy more than 25% of goal)	Sub-Contract $ Amount
		☐ YES ☐ NO	
		☐ YES ☐ NO	
		☐ YES ☐ NO	
		☐ YES ☐ NO	
		☐ YES ☐ NO	
		☐ YES ☐ NO	
		☐ YES ☐ NO	
	% of Contract = %	**Total SBE $**	**$**

COMPANY NAME: _____ EMAIL: _____ PHONE: _____

NAME & TITLE: _____

SIGNATURE: _____ DATE: _____

City of Phoenix

Small Business Enterprise Program

Letter of Intent (LOI) To Perform as an SBE Subcontractor

(THIS FORM ***MUST*** BE COMPLETED BY THE SBE SUBCONTRACTOR – BOTH SBE SUBCONTRACTOR & PRIME SIGNATURE ARE REQUIRED)

Project Number: 4108JOC135	**Project Description: Aviation Architectural Construction JOC**

TO: _____ (Insert Name of Prime Contractor)

FROM: _____ (Insert Name of SBE Firm)

A. The undersigned declares that the firm bidding to perform the work described herein, has been granted certification by the City of Phoenix (COP) as a Small Business Enterprise (SBE) in the area(s) of:

(COP) Certification Description:

B. The undersigned is bidding to perform the following scope(s) of work on the above referenced project:

SECTION 1 - COMPLETE THIS PORTION IF THE SCOPE OF WORK IS BEING BID BY UNIT PRICE OR HOURLY RATE SUPPLIER, BROKER, TRUCKING, HAULING, UNIFORMED OFFICERS MUST USE THIS SECTION			
Scope of Work	**Unit/Hourly Rate**	**# of Units/Hours**	**Total Quote Amount**
			$

SECTION 2 - GENERAL OR SPECIALTY CONSTRUCTION TRADE AREAS MUST USE THIS SECTION	
Scope of Work	**Total Quote Amount**
	$

C. Of the Total Quote Amount reflected in Part B-SECTION 2, the following scope(s) of work with the given amount **will not** be performed by the SBE or **is/are not** covered under the SBE's certification description:

Scope(s) of Work _____ **Amount $**_____

Subtract Amount in Part C above from the Total Quote Amount in Part B-Section 2 =* $_____

* ***Only this amount shall be reflected on the Bidder's Statement of Proposed Utilization.***

D. If trucking services are included in Part B - SECTION 1 above, SBE **MUST** complete the following:

Of the Total Quote Amount noted in part B-Section 1, the SBE affirms that the amount of * $_____ shall be performed by drivers the firm employs, and trucks the SBE owns and leases without drivers.

(*The amount referenced above is transferred from Step 9 of the Worksheet (L.O.I.W.-1). *Only this amount shall be on the Statement of Proposed Utilization)*

E. All subcontractors providing Broker or Traffic Control/Security Services indicated in Part B-SECTION 1 above

MUST Complete the Following:

Rate of the SBE's fees/commissions _____%; for a Total Amount in fees/commissions of: $_____

The Percentage and Total Amount referenced above is transferred from Steps 2 and 3 of the Worksheet (page L.O.I. W.-1).
Only the Total Amt in fee/commissions shall be reflected on the Bidders Statement of Proposed Utilization.

Should the prime contractor receiving this form be selected for award of the contract, the undersigned affirms that he/she will enter into an agreement to perform the work bid herein.

_____ _____

(SBE Subcontractor Authorized Signature) (Date)

_____ _____

(Print Name and Title) (Phone Number)

By signing this LOI document, the Prime Contractor affirms that it has not altered or modified this document in any way other than, if applicable, entering the Unit/Hours and Total Quote Amount in Part B SECTION 1.

_____ _____

(Prime Contractor Authorized Signature) (Date)

_____ _____

(Print Name and Title) (Phone Number)

City of Phoenix
Small Business Enterprise Program

LETTER OF INTENT TO PERFORM AS A SUBCONTRACTOR/SUPPLIER INSTRUCTIONS AND WORKSHEET - *L.O.I. W.-1*

A Letter of Intent to Perform as a SBE Subcontractor/Supplier (required for each SBE subcontractor/supplier proposed). The form documents services to be performed by the subcontractor/suppler and the total dollar amount of the subcontract that will be awarded to the SBE. Only the services performed in the area(s) described by the SBE's certification description can be counted towards the SBE goal requirement.

Part I. Trucking and Hauling: SBEs should indicate on Part B-Section 1 and Part D, of the LOI form, the information regarding trucks to be used in executing the contract. The City allows the counting of all payments for services provided by trucks which the SBE owns. Trucks which the SBE leases on a long-term basis and are operated with drivers the SBE employs may also be counted in full. The payments for short-term leased trucks, with or without SBE employed drivers cannot be counted.

Only trucks for which leasing agreements have been submitted and approved by EOD as part of the SBE firm's current certification file shall be considered eligible for counting towards the goal.

STEP ONE	STEP TWO	STEP THREE
Value of work expected to be performed by trucks owned by the SBE (2 Trucks)	Value of work expected to be performed by trucks leased (**with drivers**) by the SBE on a long-term basis (2 Trucks)	Combined value of work expected to be performed by other trucking firms and/or trucks leased (**without drivers**) by the SBE (3 Trucks)
$20,000	**$20,000**	**$33,000**

STEP FOUR	STEP FIVE	STEP SIX
Estimated value for services provided by all trucks the SBE will use on the contract. **(Add Steps One, Two, and Three)**	Expected value of work performed by trucks not eligible for counting as SBE participation **(Value in Step Three)**	Total estimated value that can be counted for SBE participation **(Subtract Step Five from Step Four) $73,000 - $33,000**
$73,000	**$33,000**	**=$40,000**

Part II. Fees and Commissions: Insert the information from below under Step Three-Commission/Fees Percentage and the Countable Amount for SBE Participation into Part E of the LOI form. This part is applicable for the use of uniformed officers to provide traffic control and security and other services provided at an hourly rate by non-employees of the SBE contractor.

(The following information is provided as a sample only)

STEP ONE		
Total Number of Hours	Per Hour Bid Amount	Calculation Formula: Total Gross Bid Amount
200	**$35**	**200 × $35 = $7,000**

STEP TWO			
Per Hour Bid Amount	Officers Hourly Rate	SBE Firm Commission/Fee	Calculation Formula: Fees/Commissions Percentage
$35	**$25**	**$10**	**(10 / 35) * 100 = 28.57%**

STEP THREE		
Gross Bid Amount (from Step One)	Commission/Fee % (from Step Two)	Calculation Formula: Amount Countable for SBE Participation
$7,000	**28.57%**	**$7,000 × .2857 = $2,000**

Part III. Construction Trade Areas: SBE must indicate in the Scope of Work of Part B-Section 2 of the LOI form, ***all*** scope(s) of work associated with the Total Quote Amount. The SBE must complete Part C of the LOI form by entering the Scope of Work and amount not expected to be performed by the SBE or which is not covered under the SBE's certification description. Subtracting this amount from the Total Quote Amount in Part B-Sect. 2 will result in the portion of work that can be counted as SBE participation.