



Staff Summary Report

Council Meeting Date: 07-22-2008

Agenda Item Number: _____

SUBJECT: Request to approve an emergency procurement of a two-year contract with two, two-year renewal options to Symetra Life Insurance Company for Stop Loss Insurance.

DOCUMENT NAME: 20080722fstal5 **PURCHASES (1004-01)**

SUPPORTING DOCS: Yes

COMMENTS: (Emergency Procurement 08-183) Total cost for this contract shall not exceed \$1,500,000 during the initial contract period.

PREPARED BY: Tony Allen, Procurement Officer, 480-350-8548

REVIEWED BY: Jerry Hart, Financial Services Administrator, 480-350-8505
Michael Greene, CPM, Central Services Administrator, 480-350-8516
Jon O'Connor, Deputy HR Manager, 480-350-8423
Lynna Soller, Employee Benefits Administrator, 480-350-2975

**LEGAL REVIEW AS
TO CONTRACT FORM**

ONLY: N/A

FISCAL NOTE: Sufficient funds have been appropriated in the Health Fund.

RECOMMENDATION: Ratify the contract.

ADDITIONAL INFO: A formal Request for Proposal for Stop Loss Insurance was issued in sufficient time to complete the procurement process prior to expiration of our current contract on June 30, 2008. Because of necessary revisions to requirements of the RFP, it was necessary to re-issue the solicitation. Three responses were received for the second solicitation and evaluated in accordance with standard procurement procedures. The committees recommendation was to award the contract to Symetra Life Insurance Company, the overall high scorer. The City's self-funded insurance plan pays medical claims up to \$200,000 per individual. The Symetra Life's "stop loss" insurance coverage is for medical claims which exceed that \$200,000. Because of the need to have a contract in place by July 1, 2008 and lack of a Council Session in the available time frame, the City declared this procurement and emergency, thereby granting staff the necessary authority to award this contact to financially protect the City.

Vendor's Proposal Offer

It is REQUIRED that Proposal Offeror COMPLETE, SIGN and SUBMIT the original of this form to the City Procurement Office with the proposal response offer. An unsigned "Vendor's Proposal Offer", late proposal response and/or a materially incomplete response will be considered non-responsive and rejected.

Proposal offeror is to type or legibly write in ink all information required below.

Proposal Offeror's Company Name Symetra Life Insurance Company

Company Mailing Address Regional Office - 1 East Camelback Road Phoenix, AZ 85012

Company Street Address same as above

Proposal Offeror Contact Mike Hoffman Title VP Sales

Contact's Phone No. 602-249-2030 E-mail Address mikeh@azben.com

Proposal Offeror's Company Tax Information:

Arizona Transaction Privilege (Sales) Tax No. _____ or

Arizona Use Tax No. _____

Federal I.D. No. 91-0742147

City & State Where Sales Tax is Paid N/A - Premium Tax pd to State of Arizona

THIS PROPOSAL IS OFFERED BY

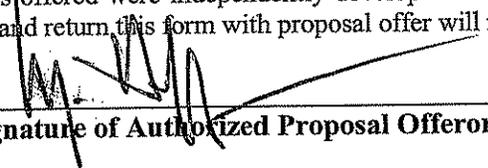
Authorized Proposal Offeror (Type or Print in ink) Mike Hoffman

Proposal Offeror's Title (Type of Print in ink) V.P. Sales

Date 6/10/2008

REQUIRED SIGNATURE OF AUTHORIZED PROPOSAL OFFEROR (Must Sign in Ink)

By signing this Proposal Offer, Offeror acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other offeror or potential offeror. Failure to sign and return this form with proposal offer will result in a non-responsive proposal.


Signature of Authorized Proposal Offeror

6/10/08
Date

Form 201-B (RFP)
(H:/RFP 3-2002)

Vendor Information and References

Organization Name:	SYMETRA Life Insurance Company
Date Founded	1957, as part of SAFECO Corp
Contact Person's Name	Mike Hoffman
Title	VP Sales – SYMETRA GA Arizona Benefit Plans, Inc.
Address	1 East Camelback Road Suite 840
City/State	Phoenix, Arizona 85015
Phone Number	602-249-2030
E-mail Address	602-242-3324
Fax Number	mikeh@azben.com

CURRENT PUBLIC SECTOR CLIENT REFERENCES				
Name	Contact Name	Phone Number and Client Location	Number of Employees	Contract Start Date
Arizona Schools Insurance Trust (ASBAIT)	Wayne Carpenter	602-787-1170	Est. 26,000 (made up of 160+ school districts)	7+ years ago
Yavapia Combined Trust	The Segal Co.	602-381-4000	Est 1500	5+ years ago
Salt River Pima Maricopa Indian Community	The Segal Co.	602-381-4000	Est 5000	7+ years ago
Maricopa County Community Colleges	JoAnn Cipiti	602-864-3540	Est 5000	4 year ago
RECENTLY TERMINATED PUBLIC SECTOR CLIENTS				
Name	Contact Name	Phone Number	Termination Reason	Termination Date
Salt River Project	The Segal Co.		Cost	4-1-03

General Requirements

GENERAL REQUIREMENTS		YES	NO
1.	Provide a preliminary renewal 90 days prior to the anniversary date.	XX	
2.	Provide a firm renewal 45 days prior to the anniversary date.	XX	
3.	Rates guaranteed for a minimum of 12 months.	XX	
4.	Proposal is submitted net of commissions.	XX	
5.	Contract includes an indemnification/hold harmless clause to protect the client.	XX	
6.	The rates quoted in your proposal are firm and will not be recalculated based on actual enrollment.	XX*	
7.	The attachment factors quoted in your proposal are firm and will not be recalculated based on actual enrollment.	XX*	
8.	Stop loss covered expense uses definitions, exclusions and limitations that are <u>not more restrictive</u> than the client's underlying plan document/SPD.	XX	
9.	Any early termination provision contained in your contract cannot be tied to the renewal or financial provisions or penalties.	XX	
10.	Agree not to laser any claimants at renewal unless requested as an option by the client.	XX	
If you answered "No" to any of the questions above, please provide an explanation below:			
Question No.	Explanation		
6	<p>Disclosure must be completed with clinical data provided by the TPA, until this is accomplished the rate is illustrative. It is possible in those situations where conditions were not fully understood at time of quote that Symetra will modify premium or allow a laser deductible, at the option of the City. Symetra has reviewed the ref specs, and has identified the following: The following claimants have been reviewed and will be covered at the group deductible and contract, #192, #199, #11, #70 and #200. Claimant #105 will be covered at the group deductible but with a 12/12 contract. We will still need detailed prognosis information on the following people prior to determining their coverage: #186, #171, #220, #234, #193 and #195.</p>		
7	<p>Assuming the final census on 7-1 is similar to the census supplied when the rfp was submitted.</p>		

Proposal Questionnaire

GENERAL INFORMATION	VENDOR RESPONSE
<p>1. What are the most recent ratings for your company by the following:</p> <p>Standard and Poors</p> <p>Duff and Phelps - N/A We do have FITCH</p> <p>A.M. Best</p> <p>Moody's</p>	<p>Rating Date</p>
	<p>A-(Strong) 11/8/07</p>
	<p>A+(Strong) 11/8/07</p>
	<p>A(Excellent) 11/8/07</p>
	<p>A2(Good) 11/8/07</p>
<p>2. Confirm that all employees, retirees and dependents will be covered on the effective date and that you will waive any pre-existing condition limitation to the extent satisfied under the current plan?</p>	<p>We assume that it is the intention of the Client that no employee suffer a loss of coverage by virtue of a change in carriers other than by plan design. Symetra agrees to this premise.</p>
<p>3. Do you agree that the client's plan document (including any signed amendments) will be the sole determinant of what is covered or not covered as a reimbursable expense by your stop loss policy?</p>	<p>Agreed -- The Symetra has no limitations or exclusions for specific coverages or services. The Plan Document will remain the sole determinant of what is covered or not covered by the plan. Symetra will reimburse expenses based on the plan document.</p>
<p>4. Are there any exclusions or limitations under your contract(s) which are covered expenses under the self-funded plans?</p>	<p>No -- The Symetra has no limitations or exclusions for specific coverages or services. The Plan Document will remain the sole determinant of what is covered or not covered by the plan. Symetra will reimburse expenses based on the plan document.</p>
<p>5. Do you agree that:</p> <p>a. If you were provided any individually identifiable health information (IIHI) in order to price this bid, you are prohibited from using the IIHI for any purpose other than as required by law and further, agree to promptly destroy such IIHI if you are NOT the successful bidder?</p>	<p>Yes</p>

GENERAL INFORMATION	VENDOR RESPONSE
b. If you receive individually identifiable health information (IIHI) in order to perform underwriting, premium rating, or other activities relating to the renewal or replacement of a contract of health insurance or health benefits, that you will protect such IIHI as required by HIPAA Privacy regulations?	Yes

SPECIFIC STOP LOSS	VENDOR RESPONSE
<p>1. Are there any individuals who are being excluded from coverage or provided different/limited coverage under your contract?</p>	<p>Yes, The following claimants have been reviewed and will be covered at the group deductible and contract, #192, #199, #11, #70 and #200. Claimant #105 will be covered at the group deductible but with a 12/12 contract. We will still need detailed prognosis information on the following people prior to determining their coverage: #186, #171, #220, #234, #193 and #195.</p>
<p>2. Does your contract allow you to limit or exclude coverage on covered persons at renewal?</p>	<p>No</p>
<p>3. Does your contract allow you to limit or exclude coverage for individuals who are disabled/receiving treatment that you were not made aware of through this RFP process or that occurred after you were awarded the contract, but prior to the contract effective date?</p>	<p>No, although if a condition or claimant was knowingly excluded from the disclosure documents supplied by the City (either directly or through the TPA), Symetra will reserve the right to re-rate.</p>
<p>4. a. Will your firm reinsure any of the risk? b. If so, identify what reinsurer(s) would be involved and at what levels of reinsurance.</p>	<p>NO – Symetra retains all risk.</p>
<p>5. a. Describe your annual renewal underwriting methodology? b. Will premiums be established solely on the basis of the experience of your pool or are other factors such as the plan's own experience and ongoing large claim activity considered as well?</p>	<p>This is proprietary information but is consistent with industry standards. If additional information is needed Symetra will be happy to comply once proper confidentiality agreements are in place.</p> <p>For the most part this is proprietary information but is consistent with industry standards. If additional information is needed Symetra will be happy to comply once proper confidentiality agreements are in place. Additionally a portion of claims over a certain threshold are pooled and then groups claims account for the renewal action. Historically the Symetra block in Az. averages about a 11% overall increase annually.</p>

SPECIFIC STOP LOSS	VENDOR RESPONSE
6. What is your current leveraged trend for the stop loss deductible being proposed?	27.5%
7. Do you require a disclosure statement be completed at renewal?	No – Symetra will gather the data directly from your Symetra appointed TPA
8. If a disclosure statement is required to be completed, what is the maximum number of days in advance of the effective date it can be completed?	A sample of the Symetra Disclosure is included in the response packet. This disclosure is only applicable at the start of the policy. It can be completed up to 60 days prior to the effective date.
9. What reporting information and frequency of reports do you require from the claims administrator regarding claims activity?	Monthly aggregate reports. As needed large claim notices.
10. a. Provide a detailed description of all reporting and/or notification requirements for which the client will be responsible.	Client is responsible for empowering the TPA to provide reporting.
b. Indicate the frequency and include samples of any forms that must be completed.	Not applicable. The TPA will provide Symetra with all applicable notices and large claims updates.
11. Will you accept the data from the claim administrator directly?	Yes
12. How will you interface with the claim administrators on large, individual claims to ensure treatment is medically necessary, reasonable, and appropriate for the patient's condition?	Symetra has three dedicated employees that will be assigned to your account to assist TPA. Specifically a Medical Risk Consultant – this person is clinically trained and interfaces with TPA regarding all large claims. 2) A Transplant Coordinator – works with the TPA to assure maximum medical management on all transplant conditions 3) Claims Examiner – works with TPA in all facets of specific violation claims processing

SPECIFIC STOP LOSS	VENDOR RESPONSE
<p>13. a. How would you coordinate with the client's case manager regarding a large claim?</p> <p>b. Who would contact the claimant?</p> <p>c. How would a case management plan be established?</p>	<p>Symetra has three dedicated employees that will be assigned to your account to assist TPA. Specifically a Medical Risk Consultant – this person is clinically trained and interfaces with TPA regarding all large claims. 2) A Transplant Coordinator – works with the TPA to assure maximum medical management on all transplant conditions 3) Claims Examiner – works with TPA in all facets of specific violation claims processing</p> <p>TPA and Managed Care Vendor (Symetra will never contact claimant without working through TPA)</p> <p>Case Management plan is established by TPA and Managed Care Vendor. Symetra can assist in bringing additional vendors into loop with proven track records.</p> <p>NOTE: Medical Management Fees are reimbursable as part of a specific claim.</p>
<p>14. Is the current claims administrator approved by your company?</p>	<p>Yes</p>
<p>15. Verify that your firm will approve any claims administrator selected by the client?</p>	<p>We will request the appropriate documentation. We believe the City was or would be equally as stringent as Symetra in selection of the TPA and review of the fiduciary management associated with being the Cities TPA, and as such we believe that appointment as an authorized TPA would not be an issue.</p> <p>Note: The current TPA is appointed with Symetra.</p>

SPECIFIC STOP LOSS	VENDOR RESPONSE
<p>16. Please provide a description of your process to collaboratively and effectively work with the current claims administrator.</p>	<p>Symetra has three dedicated employees that will be assigned to your account to assist TPA. Specifically a Medical Risk Consultant – this person is clinically trained and interfaces with TPA regarding all large claims. 2) A Transplant Coordinator – works with the TPA to assure maximum medical management on all transplant conditions 3) Claims Examiner – works with TPA in all facettes of specific violation claims processing</p> <p>Additionally you will have a local representative who will be responsible for implementation and start up and renewal processing.</p>

SPECIFIC STOP LOSS	VENDOR RESPONSE
<p>17. Describe in detail your procedures and time frame for reimbursement of claims exceeding the specific stop loss level. Clearly describe the overall procedure you utilize from start to finish in reimbursing the policyholder, including your interaction with the claims administrator, utilization review firm, and large case management service.</p>	<p>The goal of the excess loss claim team is to provide our customers with fast and accurate claim reimbursement along with excellent customer service. Our staff endeavors to provide professional claim management and to be a resource to our participating employers and their third party administrators (TPAs). Claim Submission Documentation Requirements include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Computer print-out of detail paid claim report that includes: Insured name, Claimant name, Social Security number or ID number, To and from dates of service, CPT codes, HCPCS codes, and hospital revenue codes, Diagnosis code, Amount charged, amount allowed, discount amount and amount paid, Provider name or Identification number, Check and processing dates, Copy of the original enrollment card/form including hire date and coverage effective date (screen prints of electronic enrollment forms are acceptable), Applicable eligibility information: Work status (i.e., active, retired, FMLA, medical leave of absence, etc.), Termination date, Last date worked, Return to work date, FMLA effective date and end date, Copy of COBRA Election Form, Medicare effective date and qualifying event, Other information needed, if applicable: UB-92 for inpatient and outpatient bills over \$20,000 (screen prints with itemization by revenue codes acceptable for bills under \$100,000), Hospital pre-certification, Copies of bills for any services from a single provider over \$20,000, Other insurance information, Date and details of accident <p>Once the claim submission with above information is submitted by TPA – Symetra typically reimburses in 10 days or less.</p>
<p>18. a. Based on your book of business, what was the average time from receipt of claim to payment of claim in 2006?</p> <p>b. Based on your book of business, what was the average time from receipt of claim to payment of claim for 2007 year-to-date?</p>	<p>Goal was 10 business days -- in actuality Symetra finished claims at an average of 5 business</p> <p>Goal was 10 business days -- in actuality Symetra finished claims at an average of 5.5 business</p>

SPECIFIC STOP LOSS	VENDOR RESPONSE
19. Define clearly the terms and conditions of your contract as they apply to termination.	<p>Symetra may terminate by giving 31 day notice if:</p> <p>City fails to comply with provisions of policy; City fails to perform obligations under policy; City covers less than 50 employees; City fails to provide information required in Excess Loss Disclosure Statement</p>
20. After termination, what is the maximum time allowed for submission of a valid claim that was paid by the administrator within the contract period?	12 months
21. Will you accept the client's records as the final authority on eligibility? If not, what documentation is required?	Yes
22. Do you require eligibility files, or do you rely on verification of eligibility at the time of a specific claim?	At time of claim
23. Does your program include access to transplant centers of excellence so the client can utilize any pre-negotiated discounts?	<p>Yes – URN – Symetra pays access fees as part of excess loss claim. Additionally Symetra will reduce the specific deductible for a specific transplant 10%</p>
<p>24. a. Do you agree to provide to the client's consulting firm quarterly reports showing reimbursements your organization has made?</p> <p>b. Do you agree that such reports will include claimant name, date payments made, and amount paid?</p>	<p>Yes – if requested, these reports are available at anytime. Typically the TPA will provide data, and Symetra will supplement that data for verification purposes.</p> <p>Yes – again as requested</p>
25. Please include a sample specific stop loss contract that is inclusive of any contract related responses above.	Contract attached

AGGREGATE STOP LOSS	VENDOR RESPONSE
1. a. Will your firm reinsure any of the risk? b. If so, identify what reinsurer(s) would be involved and at what levels of reinsurance.	NO N/A
2. Does your contract have a minimum dollar attachment level?	Yes equal to 100% of the estimated annual aggregate attachment.
3. What is the maximum annual dollar amount that will be reimbursed if the aggregate attachment point is exceeded?	\$1,000,000
4. Please describe in detail your formula for calculating the annual aggregate attachment point.	Symetra will reimburse the City if at the end of the policy period based on the dollars that exceed the sum of the monthly aggregate attachment points multiplied by the number of covered lives or the minimum aggregate attachment point as shown in the proposal attached.
5. Does your proposal include any underwriting caveats allowing you to change the attachment factors other than on the anniversary date?	No – but we have contingenced the initial establishment of the factors, we have contingenced for a pended claims report, a denied claims report and the last 90 days of precertifications pending.
6. Describe in detail how your terminal liability provision works.	Not applicable not quoted
7. Is your proposed claim reimbursement on a monthly, quarterly or annual basis?	Annual
8. Do you agree to provide an annual reconciliation showing month by month the attachment point vs eligible expense?	This would be done by the TPA. Symetra can certainly provide the data that was provided by the TPA, if the City requests.
9. a. How long after the close of the plan year will an aggregate reconciliation be provided?	Done by TPA, but typically within 20 days.
b. If a reimbursement is due, when would payment be made?	Following an audit with the TPA

AGGREGATE STOP LOSS	VENDOR RESPONSE
<p>10. What are your data requirements from the medical claims administrators for computing a reconciliation?</p>	<p>Claim Submission Documentation Requirements If a participating employer has exceeded the aggregate attachment point at the end of the policy period, the following will be requested:</p> <ul style="list-style-type: none"> o Paid claim report o List of individual (specific) claims paid o List of extra-contractual payments o List of voided checks and refunds o Monthly check register o Fund account statement o Eligibility listing <p>Following submission of the aggregate claim form and associated detailed information an audit will be done.</p> <p>Aggregate Audit Process An audit is conducted when we receive a request for reimbursement under the aggregate provisions of Symetra's Excess Loss Insurance Policy. Our audit steps are as follows: Upon receipt of the Aggregate Excess Loss Request for Reimbursement form, we will review the information to determine whether our audit will be conducted as a desk (at our office) or on site (at your office). Desk audits are determined by the amount of the reimbursement request. We first verify your calculation and the source documents supporting it by asking ourselves the following questions:</p> <ul style="list-style-type: none"> b. the Minimum Aggregate Attachment Point shown on the Schedule. <p>If the Aggregate Excess Loss benefit terminates before the end of the Policy Period, the Minimum Aggregate Attachment Point is equal to the greater of:</p> <ul style="list-style-type: none"> a. the sum of the Monthly Aggregate Attachment Points to the date of termination; or b. the Minimum Aggregate Attachment Point shown on the Schedule.
<p>11. Will you accept claims and enrollment data from the medical claims administrators directly?</p>	<p>Yes</p>
<p>12. Provide a detailed description of all reporting and/or notification requirements for which the client would be responsible.</p>	<p>None, Symetra will gather from TPA</p>

AGGREGATE STOP LOSS	VENDOR RESPONSE
13. Define clearly the terms and conditions as they apply to contract termination.	<p>Symetra may terminate by giving 31 day notice if:</p> <p>City fails to comply with provisions of policy; City fails to perform obligations under policy; City covers less than 50 employees; City fails to provide information required in Excess Loss Disclosure Statement</p>
14. Is there any effect on coverage if the contract is terminated before the end of the contract period?	<p>There will be no aggregate coverage if the policy is terminated off anniversary.</p>
15. Please include a sample aggregate stop loss contract that is inclusive of any contract related responses above.	<p>Included</p>

Additional Items Included at NO COST to City:

Additional Services Included at No Additional Cost		
	Included	Comment
1. Local implementation team	Yes	
2. Stop Loss Contract with No Limitations	Yes	
3. Local Service Team	Yes	
4. National Transplant Network fees paid by Symetra	Yes	If URN used
5. Specific Deductible reduced 10% if National Transplant Network used	Yes	If URN used
6. Large Case Management Fees reimbursable	Yes	See admin guide for guidelines
7. No Disclosure at Renewal	Yes	
8. Guaranteed Renewable and guaranteed NO Lasers at renewal	Yes	
9. Access to in house medical Technical Referral Unit	Yes	
10. Currently doing business with all payor partners selected by City	Yes	
11. Able to meet all Stop Loss Performance Standards	Yes	
12. Advance Funding Option include	Yes	
13. Preferred Vendors Listing made Available	Yes	

Proposal Checklist For Submittals

- _____ One signed and complete original of the proposal response, including "Vendor's Proposal Offer" (form 201B).
- _____ Three (3) additional copies of proposal.
- _____ Two (2) copies of Proposal on CD
- _____ Proposal questionnaire completed and included.
- _____ Price Sheet completed and included.
- _____ Any addendum(s) have been included.

Price Quotation Form

Bidders are required to complete all financial exhibits as instructed.

All fees must be binding until the assumed implementation date specified in this proposal and must be guaranteed for a minimum of the initial 12-month contract period. Thereafter, all fees must be guaranteed for a minimum of each 12-month contract period. If your proposal includes guaranteed fees for the second contract period, those fees should be shown on the financial tables included.

FINANCIAL QUOTATION FORM SPECIFIC AND AGGREGATE STOP-LOSS INSURANCE

SYMETRA Life	Current and Proposed Schedule ****
Specific Stop-Loss Insurance	
Specific Deductible	\$200,000
Lifetime Maximum	\$2,000,000
Contract Basis	Paid (24/12)
Covered Benefits	Medical
Employee only Premium (PEPM)	\$16.35
Employee and Family Premium (PEPM)	\$ 38.04
Rate Guarantee	12 months
Aggregate Stop-Loss Insurance	
Maximum Annual Aggregate Reimbursement	\$1,000,000
Contract Basis	Paid (24/12)
Covered Benefits	Medical
Aggregate Attachment Point (% of expected claims)	125%
Composite Aggregate Attachment Factor	\$ 846.73
Aggregate Composite Premium Rate (PEPM)	\$1.40
Rate Guarantee	12 months

Are you willing to accept City Procurement Card payments? Yes *** No
 (***) s long as administrativley that can work in an ACH or EFT situation.

**** See attached Contingencies and understandings

Assumptions:

Employee Only	416
Employee and Family	667
Total	1,568

CONTINGENCIES and UNDERSTANDINGS:

* Quoted rates and factors reflect a full service hospital/physician PPO plan of benefits utilizing theAZ Foundation for Medical Care Network. These rates and factors also reflect the assumption that 95% of the employees have access to this PPO network. Any change in the PPO Network or plan design will require a re-pricing of the Individual Rates and Attachment Factors.

*** This proposal assumes the current plan of benefits remains in place.**

*** The following claimants have been reviewed and will be covered at the group deductible and contract, #192, #199, #11, #70 and #200. Claimant #105 will be covered at the group deductible but with a 12/12 contract. We will still need detailed prognosis information on the following people prior to determining their coverage: #186, #171, #220, #234, #193 and #195.**

*** If the enrollment listed on the application varies by more than 10% of what was quoted, we reserve the right to re-price our Individual & Aggregate numbers.**

*** TPA must be SYMETRA approved.**

*** If this group is contributory, we will require at least 75% of eligible employees to participate in this plan.**

*** COBRA participants can not exceed 10% of the enrolled group.**

*** The offer of a 24/12 Individual contract assumes no change in administrators and is qualified for the following claim reports:**

- 1) Pended Claims**
- 2) Denied Claims**
- 3) The last 90 days of Precertifications**

In the absence of this data, a run-in limit of \$100,000 will apply to the Individual coverage.

*** If the average monthly paid claims in the last two months of the most recent policy year exceed 125% of the average monthly paid claims in the first ten months of the same policy year; SYMETRA Life Insurance Company will reserve the right to re-price the rates and factors shown on this proposal.**

*** For the Aggregate Monthly Accommodation benefit, increase the Aggregate Premium Rate by 25% (x 1.25).**

*** Composite rates and factors can not be sold; they are shown for comparison purposes only.**

*** Any unfunded claims balance must be disclosed; otherwise such claims will not be considered eligible under the Excess Loss Policy.**

*** SYMETRA reserves the right to reprice this proposal if the TPA backlog exceeds two weeks.**

*** Plan must have utilization review and medical case management.**

*** Retiree participation is not to exceed 20%. These rates and factors reflect the assumption that all retirees over age 65 are Medicare Primary.**

*** These rates are conditional upon receipt of an enrolled census showing dates of birth, sex, single/family status and zip codes.**

*** The proposal is subject to underwriting review of pending/denied claim, pre-certification and backlog reports as of the date the disclosure is signed. Upon review SYMETRA Life Insurance Company reserves the right to re-price or withdraw our proposal.**



Staff Summary Report

Council Meeting Date: 07-22-2008

Agenda Item Number: _____

SUBJECT: Request approval of a one-year renewal of a contract with Phoenix Highway Products for the purchase of LED ready traffic signal heads used by Traffic Operations.

DOCUMENT NAME: 20080722fsta05 **PURCHASES (1004-01)**

SUPPORTING DOCS: Yes

COMMENTS: (Contract #T06-116RB-01) Total cost shall not exceed \$70,000.

PREPARED BY: Tony Allen, Procurement Officer, 480-350-8548

REVIEWED BY: Michael Greene, Central Services Administrator, 480-350-8516
Glenn Kephart, Public Works Manager, 480-350-8205
John Osgood, Field Operations Manager, 480-350-8949
Isaac Chivara, Traffic Operations Supervisor, 480-350-8349

**LEGAL REVIEW AS
TO CONTRACT FORM
ONLY:** N/A

FISCAL NOTE: Sufficient funds have been appropriated in 6999879.

RECOMMENDATION: Approve the renewal of the contract.

ADDITIONAL INFO: The original contract was in an amount that did not require City Council approval. Increased ordering activity now requires that the contract be approved by Council. Staff is requesting approval to utilize the contract for the purchase of LED ready traffic signal heads to be used by Traffic Operations. The renewal does not include a cost increase.

Vendor's Bid Offer

It is REQUIRED that Bidder COMPLETE, SIGN and SUBMIT the original of this form to the City Procurement Office with the bid response offer. An unsigned "Vendor's Bid Offer", late bid response and/or a materially incomplete response will be considered non-responsive and rejected.

Bidder is to type or legibly write in ink all information required below.

Bidder's Company Name	<u>Phoenix Highway Products, Inc</u>
Company Mailing Address	<u>2631 N. 37th Drive, Phx AZ 85009</u>
Company Street Address	<u>SAME AS ABOVE</u>
Bid Offeror Contact	<u>Debra Lesan</u> Title <u>Vice President</u>
Contact's Phone No.	<u>(602) 344-7770</u> E-mail Address <u>debbie@phoenixhighwayproducts.com</u>
Bidder's Company Tax Information:	
Arizona Transaction Privilege (Sales) Tax No.	<u>07553182-F</u> or
Arizona Use Tax No.	<u>N/A</u>
Federal I.D. No.	<u>86-0883565</u>
City & State Where Sales Tax is Paid	<u>City of Phx, AZ</u>

THIS BID IS OFFERED BY

Authorized Bid Offeror (Type or Print in ink) ^{DML} Debra Lesan

Bid Offeror's Title (Type of Print in ink) Vice President

Date 5/15/06

REQUIRED SIGNATURE OF AUTHORIZED BID OFFEROR (Must Sign in Ink)

By signing this Bid Offer, Bidder acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other bidder or potential bidder. Failure to sign and return this form with bid response will result in a non-responsive bid response.

Debra Lesan
Signature of Authorized Bid Offeror

5/15/06
Date

INSTRUCTIONS TO BIDDERS

Please note that these Instructions are to be read and followed by any bidder and/or contracted vendor and that failure to follow these Instructions may result in rejection of a bid response for non-responsiveness or cancellation of contract if already awarded.

1. **Preparation of Bid Response:** It is the bidder's responsibility to examine this entire Invitation For Bid document immediately upon its receipt and to seek clarification of any item or requirement that may not be clear and to check their bid response for completeness and accuracy before submitting a bid. Concerns about any obvious errors, points of confusion and/or possible improprieties in this Invitation For Bid that are apparent before the bid opening date are to be filed with the City Procurement Office prior to the scheduled bid opening date. Negligence in preparing a bid response confers no right of withdrawal after bid due date and time. The City will not reimburse the cost of developing, presenting or providing any bid response to this Invitation For Bid.
2. **Late, Unsigned and/or Incomplete Bid Response:** A late, unsigned and/or significantly incomplete bid response will be considered non-responsive and rejected. The City will not accept a signed letter by bidder in lieu of a signed "Vendor's Bid Offer", form 201-B (IFB) as provided in this Invitation For Bid.
3. **Inquiries:** Questions regarding this Invitation For Bid are to be directed only to the City Procurement Officer identified on the cover page of this document, form 201-A (IFB); unless another City contact is specifically named in this Invitation For Bid. Questions should be submitted in writing, when time permits. When sending correspondence related to this Invitation For Bid, identify within the letter, the appropriate Invitation For Bid number, page and paragraph at issue. However, bidder must not place the Invitation For Bid number on the outside of an envelope containing questions, since the envelope may be identified as a sealed bid response and not opened until the official bid opening date and time. Inquiries and questions should be asked of the City Procurement Office not later than ten (10) days before bid opening and those received within ten (10) days of bid opening may not be answered.
4. **Bidders Conference:** If a Bidders Conference is scheduled, it is the bidder's responsibility to attend the conference, ask questions, seek clarifications and identify any points of confusion or requirements at issue.
5. **Withdrawal of Bid:** At any time before the specified bid opening date and time, a bidder may withdraw their bid. Bidder must present identification and documentation to indicate their authority to withdraw a bid.
6. **Bid Addendum(s):** Receipt and acceptance of a Bid Addendum is to be acknowledged by signing and returning the document either with the bid response or by separate envelope prior to bid opening date and time. Failure to sign and return an addendum prior to proposal opening time and date may make the bid response non-responsive to that portion of the Invitation For Bid as materially affected by the respective addendum.
7. **Payment:** For a single requirement purchase, the City will make every effort to make payment within 30 calendar days from receipt of acceptable products, materials and/or services and receipt of correct invoice. For ongoing term contract purchases, the City will make every effort to make payment within 30 calendar days from receipt of monthly statement.

8. **Discounts:** Payment discounts will be computed from the date of receiving acceptable products, materials and/or services or correct invoice, whichever is later to the date payment is mailed.
9. **Compliance with Bid Solicitation Requirements and Award of Contract:** Unless the bidder states otherwise or unless it states otherwise in this Invitation For Bid, the City reserves the right to award by individual line item, by group of items, or as a total, whichever is most advantageous to the City. The City expressly reserves the right to waive any immaterial defect or informality, or reject any or all bids, or portions thereof, or reissue this Invitation For Bid.

A bid response is an offer to contract with the City based on the terms, conditions and specifications contained in this Invitation For Bid. A bidder does not become a contractor unless they receive a formal contract award from the City Procurement Office. Unless this Invitation For Bid includes a separate contract document or requires the bidder to submit a contract for review, a contract is formed when the City Procurement Office provides a written notice of award or a purchase order to the successful bidder. Bid offers that take exception to the terms, conditions, specifications and/or other requirements stated within this Invitation For Bid will cause the bid response to be considered as non-responsive.

10. **Taxes:** Bid all materials (equipment/products) F.O.B. Tempe, prepaid. Unless specifically requested in this Invitation For Bids, do not include any Sales, Use or Federal Excise Tax in your bid pricing. The City is exempt from payment of Federal Excise Tax. For bid evaluation, transaction (Sales) Privilege Tax paid (returned) to the City is considered a pass-through cost, calculated as zero (0) expense. For information on City of Tempe Privilege (Sales) Tax, please contact the City's Tax and License Office at (480) 350-8327 or visit their web site at www.tempe.gov/salestax.
11. **Payment by City Procurement Card:** The City Procurement Office (only) may wish to make payment through the use of a City Procurement Card. It is requested that each bidder indicate on the Price Sheet (pricing section) of this Invitation For Bid, their willingness to accept City Procurement Card payments. The inability to accept payment by City Procurement Card will not disqualify a bid response.
12. **Bid Results:** Bidders are invited to attend the scheduled bid opening at which the name, pertinent information and prices for each bid will be publicly read. After the public bid opening, bid tab results may be obtained in person or by sending the City Procurement Office a written request for the bid tab and including a self-address, pre-stamped envelope or viewed on the Procurement Office Web Page (www.tempe.gov/purchase) within ten (10) days after bid opening. Bid tab results will not be given over the telephone. Bid tab figures only indicate pricing and do not indicate other evaluation factors such as responsiveness or responsibility of bidders as will be determined during bid evaluation. Bid files will not be open for review until after a formal award has been made by the City. After award of bid, an appointment may be made with the City Procurement Officer (identified on the cover page of this Invitation For Bid) and the bid documents may be reviewed with the Procurement Officer. Formal award recommendations with an estimated contract value over \$30,000 will be placed on the Procurement Office web page and posted at the front counter of the Procurement Office at the same time the award recommendation is forwarded for City Council review. Parties interested in the outcome of a bid may check the City Procurement Office web page or check for posted awards at the Procurement Office front counter.

13. **Protests:** Any actual or prospective bidder who is aggrieved in conjunction with this Invitation For Bid or award of a contract may protest to the City Procurement Office (City Procurement Officer contact). A protest based upon alleged improprieties in this Invitation For Bid that are apparent before the bid opening shall be filed before bid opening. At least five (5) days before award of a contract, the City Procurement Office will post award recommendations on its web page (www.tempe.gov/purchase) and at the Procurement Office front counter for public review. It is the responsibility of bidders and interested parties to check the Procurement Office web page and posted award recommendations for the determination of a recommended contractor. A protest concerning an award recommendation must be filed within 10 calendar days after the protester knows or should have known the facts and circumstances upon which the protest is based. A protest shall be in writing and include the protester's name, address and phone number, identification of the solicitation or contract being protested, a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents, and indication as to the form of relief requested. Protest is to be on the protester's company letterhead and signed.
14. **Request for Taxpayer I.D. Number and Certification, IRS W-9 Form:** An attached IRS W-9 form serves as the last page of this Invitation For Bid and is to be completed by bidder and submitted with the bid response. Prior to any contract award, this IRS W-9 form must be completed and submitted to the City Procurement Office.
15. **Compliance with City Solicitation & Forms:** Any forms (for example, a separate contract, maintenance agreement, training agreement) intended by the bidder and/or contractor to be utilized in relationship to any resulting contract must be submitted with bid offer. Bidder and/or contractor forms that take exception to any of the terms, conditions, specifications and/or other requirements stated within this Invitation For Bid will cause the bid response to be considered as non-responsive and rejected from consideration. Absolutely no bidder/contractor form will be considered unless submitted with bid response for evaluation purposes and approved by the City Procurement Office. No City department is authorized to sign any bidder and/or contractor form(s) in relationship to this Invitation For Bids and/or subsequent contract without the City Procurement Office first reviewing the document for compliance with the City's solicitation and stamping/initially the document as being in compliance.

STANDARD TERMS & CONDITIONS

Please note that these Standard Terms & Conditions are to be read and followed by any bidder and/or contracted vendor (contractor) and that failure to comply with these requirements may result in rejection of a bid response for non-responsiveness or cancellation of any awarded contract.

1. **Certification:** By signing the "Vendor's Bid Offer", form CS-P201 (B), the bidder certifies:
 - A. The submission of the bid response did not involve collusion or other anti-competitive practices.
 - B. The vendor shall not discriminate against any employee or applicant for employment in violation of Federal and Arizona State law and the vendor shall comply with the Americans with Disabilities Act (ADA). Suppliers of products and services to the City of Tempe shall operate as an equal opportunity employer and shall not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, sexual orientation, national origin, or because he or she has a physical or mental disability or because he or she is a disabled veteran or a veteran of the Vietnam era, including, without limitation, with respect to 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 City Procurement Office is committed to fair and equal procurement opportunities for all firms wishing to do business with the City and encourages the participation of small and disadvantaged businesses in all bidding and contracting activities conducted by the City.
 - C. The vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to sign the "Vendor's Bid Offer" or signing it with a false statement shall void the submitted bid offer and/or any resulting contract. In addition, the vendor may be debarred from future bidding participation with the City and may be subject to such actions as permitted by law.
 - D. The vendor agrees to promote and offer to the City only those materials and/or services as stated and allowed by this Invitation For Bid and resultant contract award. Violation of this condition will be grounds for contract termination by the City.
2. **Gratuities:** The City may, by written notice to the contractor, cancel any resultant contract, if it is found that gratuities in any form were offered or given by the contractor or agent or representative of the contractor, to any employee of the City or member of a City evaluation committee with a view toward securing an order, securing favorable treatment with respect to awarding, amending or making of any determinations with respect to performing such order. In event the contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from contractor the amount of gratuity.
3. **Applicable Law:** This contract shall be governed by, and the City and Contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this Invitation For Bid and resultant contract or in statutes or ordinances pertaining specifically to the City. This contract shall be governed by State of Arizona law and suits pertaining to this contract may only be brought in courts located in Maricopa County, Arizona.

4. **Dispute Resolution:** This contract is subject to arbitration to the extent required by law. If arbitration is not required by law, the City and the contractor will meet and/or consult with each other in good faith to resolve any disputes arising out of the contract. If good faith efforts fail, then the City and contractor may attempt to resolve any disputes through mediation. If mediation is utilized, the City and contractor mutually will agree upon a mediator whose fees will be shared equally by the City and the contractor.
5. **Contract Formation:** This contract shall consist of this Invitation For Bid document and the bid offer response submitted by the vendor, as may be found responsive and approved by the City. In the event of a conflict in language between the two documents, the provisions of the City's Invitation For Bid shall govern. The City's Invitation For Bid shall govern in all other matters not affected by a written contract. All previous contracts between the bidder and the City are not applicable to this contract or other resultant contracts. Any contracted vendor document(s) that conflict with the language and requirements of the City's solicitation are not acceptable and void the contract.
6. **Availability of Funds for the Next Fiscal Year:** The City's obligation for performance of this contract is contingent upon the availability of funds from which payment for contract purposes can be made. No legal liability on the part of the City for any payment may arise for performance under this contract beyond the current fiscal year until funds are made available for performance of this contract.
7. **Solicitation & Contract Modification(s):** This solicitation may only be modified by a written Solicitation Addendum issued by the City Procurement Office. A resulting contract may only be modified by a written Contract Modification issued by the City Procurement Office. City departments and contractors are not authorized to modify any portion of this solicitation or resulting contract without the written approval of the City Procurement Office and issuance of an official modification notice.
8. **Provisions By Law:** Each and every provision of law and any clause required by law to be in this contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the contract will forthwith be physically amended to make such insertion or correction.
9. **Severability:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application of the contract which may remain in effect without the invalid provision or application to the extent that the material provisions of this RFP and contract are not materially vitiated.
10. **Relationship of Parties:** It is clearly understood that each party to this contract will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other party. An employee or agent of one party shall not be an employee or agent of the other party for any purpose whatsoever.
11. **Interpretation of Parol Evidence:** This contract is intended as a final expression of the agreement between the parties and as a complete and exclusive statement of the contract, unless the signing of a subsequent contract is specifically called for in this Invitation For Bid. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in the contract. Acceptance or acquiescence in a course of performance rendered under this contract shall not be relevant to determine the meaning of the contract, even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to object.

12. **Contract Assignment:** No right or interest in this contract shall be assigned by contractor and no delegation of any duty of contractor shall be made without prior written permission of the City Procurement Office.
13. **Rights and Remedies:** No provisions of this Invitation For Bid document or in the vendor's bid response offer shall be construed, expressly or by implication, as a waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, shall not release the contractor from any responsibilities or obligations imposed by the contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the contract.
14. **Overcharges By Antitrust Violations:** The City maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the City. Therefore, to the extent permitted by law, the contractor hereby assigns to the City any and all claims for such overcharges as the goods and/or services used fulfill the contract.
15. **Force Majeure:** Except for payment of sums due, neither party shall be liable to the other nor deemed in default under the contract if and to the extent that such party's performance of the contract is prevented by reason of force majeure. Force majeure means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God, acts of the public enemy, war, riots, mobilization, labor disputes, civil disorders, fire, floods, lockouts, injunctions, failures or refusal to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

Force majeure shall not include the following occurrences:

- A. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.
- B. Late performance by a subcontractor unless the delay arises from a force majeure occurrence in accordance with this force majeure clause.

Any delay or failure in performance by either party shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours of the commencement thereof and shall specify the causes of such delay in the notice. Such notice shall be hand delivered or sent via Certified Mail - Return Receipt Requested and shall make a specific reference to this clause, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing by hand delivery or Certified Mail 0 Return Receipt Requested when it has done so. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with the contract.

16. **Preparation of Specifications By Persons Other Than City Personnel:** No person preparing specifications for this Invitation For Bids shall receive any direct or indirect benefit from the use of these specifications.
17. **Public Record:** Upon award of contract, bid responses shall be considered public record and subject to review. If a bidder believes a specific section of its bid response is confidential, the bidder shall mark the page(s) confidential; isolate the pages marked confidential in a specific and clearly labeled section of its bid response. The bidder shall include a written statement as to the basis for considering the marked pages confidential and the City Procurement Office will review the material and make a determination.
18. **Conflict of Interest:** This contract is subject to the cancellation provisions of A.R.S. Section 38-511.

INVITATION FOR BID SPECIAL TERMS & CONDITIONS

Bid offers that take exception to Special Terms & Conditions stated within this Invitation For Bid may cause the bid response to be considered as non-responsiveness or cancellation of vendor's contract if already awarded. As set forth in these Special Terms & Conditions, "vendor" means a person or firm in the business of selling or otherwise providing products, materials or services and "bidder" means a vendor making a bid offer in response to an Invitation For Bid. "Contractor" means any person or firm who has a contract with the City. A successful "bidder" who is awarded a contract with the City becomes a "contractor".

1. **City Procurement Document:** This Invitation For Bid is issued by the City Procurement Office. No alteration of any portion of the Invitation For Bid document by a bidder is permitted and any attempt to do so shall result in bidder's offer being considered non-responsive. No alteration of any portion of a resultant contract is permitted without the written approval of the City Procurement Office and any attempt to do so shall be a violation of the contract. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.
2. **Bid Offer Acceptance Period:** In order to allow for an adequate evaluation, the City requires an offer in response to this Invitation For Bid to be valid and irrevocable for 90 days after the bid opening time and date.
3. **Contract Type:** Term with justifiable price adjustment allowed, indefinite quantity.
4. **Term of Contract:** The term of any resultant contract shall commence on the date of award and shall continue for a period of 12 month(s) thereafter, unless terminated, canceled, extended or renewed as otherwise provided herein. Resultant contract is non-transferable and can not be assigned by the contractor without the approval of the City Procurement Office, and then only when all prices, discounts, terms and conditions of the original bid documents and contract award remain unchanged.
5. **Contract Renewal:** The City reserves the right to unilaterally extend the period of any resultant contract for 90 days beyond the stated expiration date. In addition, by mutual agreement in the form of a written Contract Modification, any resultant contract may be renewed for supplemental periods up to a maximum of 24 additional months. The period for any single renewal increment shall be determined by the City Procurement Office. Such increment shall not be for more than a period of 12 months each, unless the City is eligible to obtain a significant cost and/or supply advantage by a longer contract renewal period.
6. **Cooperative Use of Contract:** In addition to the City of Tempe, this contract may be extended for use by other municipalities and government agencies in the State of Arizona. Any such usage by other municipalities and government agencies must be in accord with the ordinance, charter and/or rules and regulations of the respective political entity. Any public agencies not identified within this Invitation For Bids that wish to cooperatively use the contract are subject to the approval of contractor(s).
7. **Contract Termination:** This contract may be terminated without default by either party by providing a written 30 day notice of termination to the other party.

8. **Cancellation of Term Contract:** The City reserves the right to cancel the whole or any part of this contract due to failure by the contractor to carry out any obligation, term or condition of the contract. The City will issue written notice to the contractor for acting or failing to act as follows:

The contractor provides material that does not meet the specifications of the contract;

The contractor fails to adequately perform the services set forth in the specifications of the contract;

The contractor fails to complete the work required or furnish the materials required within the time stipulated in the contract;

The contractor fails to make progress in the performance of the contract and/or gives the City reason to believe that the contractor will not or cannot perform to the requirements of the contract.

Upon receipt of the written notice of concern, the contractor shall have ten (10) days to provide a satisfactory response to the City. Failure on the part of the contractor to adequately address all issues of concern may result in the City resorting to any one or to any combination of the following remedies:

1. Cancel any contract;
2. Reserve all rights or claims to damage for breach of any covenants of the contract;
3. Perform any test or analysis on materials (equipment/products) for compliance with the specifications of the contract. If the results of any test or analysis find a non-compliance with the specifications, the actual expense of testing shall be borne by the contractor;
4. In case of default, the City reserves the right to purchase materials and/or services, or to complete the required work in accordance with the needs of the City. The City may recover any actual excess costs from the contractor by:
 - A. Deduction from an unpaid balance;
 - B. Collection against the bid and/or performance bond, or;
 - C. Any combination of the above remedies or any other remedies as provided by law.

9. **Contracts Administration:** Contractor must notify the City Procurement Office (Procurement Officer contact) for guidance or direction of matters of contract interpretation or problems regarding the terms, conditions or scope of this contract.

10. **Shipping Terms:** Prices shall be F.O.B. Destination to the delivery location(s) designated herein. Contractor shall retain title and control of all goods until they are delivered and the contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the contractor. The City will notify the contractor promptly of any damaged materials and shall assist the contractor in arranging for inspection.

11. **Delivery:** Delivery is an important consideration and will be a factor in the determination of an award. Therefore, delivery time after receipt of an order must be stated in definite terms. Should there be variations in delivery time by item, bidder must be clear in regard to those variations.

12. **Pricing:** Pricing accuracy and completeness are critical. All items being bid must be identified and priced.

In the case of a system bid, all items which are required to make the system function in accord with stated Invitation For Bid requirements, must be identified and priced.

If provided pricing pages do not cover all such items, the bidder is to include an itemized listing of all required products and services needed to make their proposed system (equipment hardware and/or software) fully functional and in conformity with stated Invitation For Bid needs.

13. **365 Day Price Adjustment:** The City Procurement Office will review fully documented requests for price increases after the contract has been in effect for 365 days. The requested price increase must be based upon a cost increase that was clearly unpredictable at the time of the offer and can be shown to directly affect the price of the item concerned. The City Procurement Office will determine whether the requested price increase, or an alternative option, is in the best interest of the City. Advanced 30 day written notification by contractor is required for any price changes. All price adjustments will be effective on the first day of the month following approval or acceptance by the City Procurement Office.

Price increase requests must be acknowledged in writing by the City Procurement Office before becoming effective. If not acknowledged within 30 days, it is the contractor's responsibility to contact the City Procurement Office to assure the price increase request was received.

The contractor shall likewise offer any published price reduction or if applicable to contract, profit sharing price advantage to the City concurrent with its announcement to other customers. A price reduction or profit sharing price advantage may be offered at any time during the terms of an awarded contract and shall become effective upon notice and acceptance. The City shall likewise take advantage of any special sales discounts offered to the general public, which exceed contracted price discounts extended to the City by the contractor.

14. **Bid Evaluation:** In an Invitation For Bid, award(s) shall be made to the lowest responsible and responsive bidder whose bid conforms in all material respects to the requirements and criteria set forth in the Invitation For Bid. The City shall be the sole judge as to the acceptability of the products and/or services offered.

Evaluation criteria will include, but are not limited to:

- a. Conformity with Bid specifications, performance requirements, terms and conditions, bidder instructions and any other contractual clauses and/or requirements;
- b. Demonstrated performance and/or rated quality of items bid as reported in trade journals, professional reports and published testing results;
- c. Operational and/or ergonomic compatibility with existing City resources, as applicable;
- d. Availability of competent service and prompt delivery of materials, parts and services;
- e. Having legally required licenses, certifications and/or qualifications to perform the contract;

- f. Cost consideration including item pricing, delivery, installation, operation and life cycle and costs, bidder's financial capability to perform the contract, and any other factors that would be advantageous to the City;
- g. Record of past performance and integrity on City and/or other public agency contracts; and.
- h. Production capability of equipment as determined by product samples, customer references, and/or City inspection.

15. **Responsiveness To Specifications:** Performance or feature requirements which are designated as mandatory or minimums are needed in order to satisfy an identified task or performance need. A description is given for each designated feature. This description shall be used to determine if bidder's proposed product(s) and/or service(s) is/are capable of performing the function.

It is recognized that more than one method may be used to accomplish the sought after task functionality. If the bidder has an alternate method of performing functional tasks, then such method is to be listed as an "alternate", and described in full detail within the written bid response. The City shall be the sole judge as to whether any alternate methodology will be accepted.

"Must", "shall", "will", "minimum", "required" and/or "mandatory" performance/feature statements must be met or exceeded by a responsive bidder. Should no bidder be found totally responsive to all designated bid requirements, the City at its option, may either award the contract to the most responsive bidder or cancel the bid and re-bid the need under revised specifications.

16. **Multiple Awards:** The City has a large number and variety of potential customer departments. In order to assure that any ensuing contracts will allow the City to fulfill current and future requirements, the City reserves the right to award contracts to multiple companies. The actual utilization of any contract will be at the sole discretion of the City. The fact that the City may make multiple awards should be taken into consideration by each bidder.
17. **Non-exclusive Contract:** Any contract resulting from this Invitation For Bid shall be awarded with the understanding and agreement that it is for the sole convenience of the City of Tempe. The City reserves the right to obtain like goods or services from another source to secure significant cost savings or when timely delivery cannot be met by the contractor.
18. **Ordering Process:** Upon award of a contract by the City Procurement Office, the City may procure the specific material and/or service awarded by the issuance of a purchase order to the appropriate contractor. Each purchase order must cite the correct contract number. A purchase order for the awarded material and/or service that cites the correct City contract number is the only document required for the agency to order and the contractor to deliver the material and/or service.
19. **Turnaround Time:** Bid offer must be capable of providing a work completion turnaround time for materials and/or services within the time stated in this Invitation For Bid. Turnaround time is defined as the time frame beginning with the contracted provider being notified of a work need by the City and ending with the delivery of the work in completed form back to the City customer department. Responsive bidders are to provide pick-up and delivery service as part of their price response to the City.

20. **Estimated Quantities:** This Invitation For Bid references quantities as a general indication of the needs of the City; The City anticipates considerable activity resulting from contracts that will be awarded as a result of this Invitation For Bid; however, the quantities shown are estimates only and the City of Tempe reserves the right to increase or decrease any quantities actually acquired. No commitment of any kind is made concerning quantities and that fact should be taken into consideration by each bidder.
21. **Change Order:** The City of Tempe Procurement Office reserves the right (with contractor's approval) to execute change orders reflecting a quantity increase within 90 days from contractor's initial delivery date. No change order will be executed outside of the Scope of the City's Invitation For Bid and the contractor's bid response and price.
22. **Billing:** All billing notices shall identify the specific item(s) being billed. Items are to be identified by the name, model number, and/or serial number most applicable. Any purchase/delivery order issued by the requesting department shall refer to the contract number resulting from this Invitation For Bid. Separate invoices are required on individual contracts or purchase orders. Only invoices with items resulting from this Invitation For Bid will be accepted for payment.
23. **Brand Names:** Any manufacturer's names, trade names, brand names or catalog numbers used in the specifications are for the purpose of describing and establishing the quality level, design and performance desired. Such references are not intended to limit or restrict bidding by other vendors but are intended to establish the quality, design or performance which is desired. Any offer which proposes like quality, design or performance will be considered.
24. **Warranty:** Each bid offer must include a complete and exclusive statement of the product warranty. Warranty offers will be relatively considered as appropriate to life cycle costing.
25. **Descriptive Literature:** Bidder is to include complete manufacturers' descriptive literature regarding the materials (equipment/products) they propose to furnish. Literature shall be sufficient in detail in order to allow full and fair evaluation of the offer submitted. Failure to include required information needed to determine the qualities and acceptability of the bid offer within bid response, will result in the bid offer being rejected.
26. **Samples Upon Request - 72 Hours:** Samples of items, when requested, must be submitted within 72 hours. Unless otherwise specified by the City Procurement Office, samples will be furnished, at no expense to the City. They must be identified as to supplier, manufacturer, part number, model number, type, grade, applicable stock number, etc. If not destroyed by testing, samples will be returned at vendor's request and expense. If no instructions are received for their return, samples will be discarded 30 days after award date.
27. **Current Products:** All bid offers made in response to this Invitation For Bids shall be in current and ongoing production, shall have been formally announced for general marketing purposes, shall be a model or type currently functioning in user (paying customer) environments and shall meet or exceed all specifications and requirements set forth in this solicitation. Enhancements to established products need not necessarily comply with this clause, and will be reviewed on individual merits.
28. **Product Discontinuance:** The City may award contracts for particular products and/or models of equipment as a result of this solicitation. In the event that a product or model is discontinued by the manufacturer, the City at its sole discretion may allow the contractor to provide a substitute for the discontinued item. The contractor shall request permission to substitute a new product or model and provide the following:

1. A formal announcement from the manufacturer that the product or model has been discontinued.
 2. Documentation from the manufacturer that names the replacement product or model.
 3. Documentation that provides clear and convincing evidence that the replacement meets or exceeds all specifications required by the original solicitation.
 4. Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model.
 5. Documentation confirming that the price for the replacement is the same as or less than the discontinued product or model.
29. **Serial Numbers:** Offers must be for equipment on which the original manufacturer's serial number has not been altered in any way. Throughout the contract term, the City reserves the right to reject any altered equipment.
30. **Licenses:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor.
31. **Permits:** The vendor shall be responsible for obtaining all required permits for installations.
32. **Safety Standards:** All items supplied on this contract must comply with the current applicable Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.
33. **Infringement of Patent or Copyright:** The contractor agrees to save, keep, bear harmless and fully indemnify the City and any of its officers and employees from any and all damages, costs, or expenses in law or equity, that may at any time arise out of or be set up for any infringement of the patent right, copyright, or trademark of any person or persons in consequences of use by the City, or by any of its officers, or agents or employees of contractor supplied materials under this Invitation For Bid and of which the contractor is not a patentee or signee or lawfully entitled to sell the same.
- Contractor (Seller) agrees to indemnify and hold harmless the City (buyer) from any and all license, royalty and proprietary fees or costs, including legal costs, which may arise out of the City's (buyer's) purchase and use of goods supplied by contractor (seller).
- It is expressly agreed by seller that these covenants are irrevocable and perpetual.
34. **Seller's Risk:** Seller agrees to bear all risk of loss, injury, or destruction of goods and materials ordered as a result of this Invitation for Bid which occur prior to delivery to the City; and such loss, injury, or destruction shall not release seller from any obligation hereunder.
35. **Insurance:** Prior to commencing any work or services under this contract, contractor shall procure and maintain for the duration of the contract insurance against claims for injuries (including death) to persons and damages to property, which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees, subcontractors, or sub-subcontractors. For bidders with self-insurance, proof of self insurance with minimum limits expressed below must be submitted on proper forms for evaluation prior to award of contract.

A Contract Award Notice or Purchase Order will not be issued to an awarded vendor until receipt of all required insurance documents by the City Procurement Office and such documents must meet all requirements of this Insurance clause. In addition, before any contract is renewed for additional time periods, all required insurance must be in force and on file with the City Procurement Office. An awarded vendor or contractor must submit required insurance within 10 calendar days after request by the City Procurement Office or the award may be rescinded and another vendor selected for award.

Minimum Limits Of Insurance

Contractor shall maintain limits no less than:

1. Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury and property damage, including coverage for contractual liability (including defense expense coverage for additional insureds), personal injury, broad form property damage, products, completed operations and product liability. The general aggregate limit shall apply separately to this project/location or the general aggregate shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage, including coverage for owned, hired, and non-owned vehicles as applicable.
3. Workers' Compensation and Employers Liability: Workers' Compensation and Employers Liability statutory limits as required by the State of Arizona.
4. Other Insurance: (If applicable, see supplement.)

Deductibles And Self-Insured Retentions

Any deductibles or self-insured retentions must be declared and approved by the City. At the option of the City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officials, employees, and volunteers, or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

Other Insurance Provisions

The policies or self insurance certifications are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverage:
 - a. The City, its officials, employees, and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the contractor including the insured's general supervision of the contractor; products and completed operations of the contractor; premises owned, occupied or used by the contractor, or automobiles owned, leased, hired or borrowed by the contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, or volunteers, for work related to the contractors, employees, agents, subcontractors, or sub-subcontractors activities.

- b. The contractor's insurance coverage shall be primary as respects the City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees, or volunteers shall be excess of the contractor's insurance and shall not contribute to it. The amount and type of insurance coverage required by this contract shall not limit the scope of the indemnity provided by this contract.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officials, employees, or volunteers.
- d. Coverage shall state that the contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. Workers' Compensation and Employers Liability Coverage

The insurer shall agree to waive all rights of subrogation against the City, its officials, employees and volunteers for losses arising from work performed by the Contractor for the City.

3. All Coverages

Each insurance policy required by this contract shall be endorsed to state the coverage shall not be suspended, voided, and/or canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Other Insurance Requirements: Contractor shall:

- 1. Prior to commencement of services, furnish the City with certificates of insurance, in form and with insurers acceptable to the City which shall clearly evidence all insurance required in this contract and provide that such insurance shall not be canceled, allowed to expire or be materially reduced in coverage except on 30 days prior written notice to and approval by the City, and in accord with stated insurance requirements of this bid solicitation. City shall not be obligated, however, to review same or to advise contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve contractor from, or be deemed waiver of City's right to insist on, strict fulfillment of contractor's obligations under this contract.
- 2. Provide certified copies of endorsements and policies if requested by the City in lieu of or in addition to certificates of insurance.
- 3. Replace certificates, policies, and endorsements for any such insurance expiring prior to completion of services.
- 4. Maintain such insurance from the time services commence until services are completed. Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may at its sole option, terminate this contract effective on the date of such lapse of insurance.

5. Place such insurance with insurers and agents licensed and authorized to do business in Arizona and having a "Best's" rating of no less than A-VII.
6. Maintain such coverage continuously throughout the term of this contract and without lapse for a period of two years beyond the contract expiration, should any of the required insurance be provided under a claims-made form, to the extent that should occurrences during the contract term give rise to the claims made after expiration of the contract, such claims shall be covered by such claims-made policies. Such extension of coverage shall be evidenced by annual certificates of insurance.

Subcontractors and Sub-Subcontractors

Contractor shall include all subcontractors and sub-subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor and sub-subcontractor. All coverage for subcontractors and sub-subcontractors shall be subject to all of the requirements stated herein for the contractor.

Safety

The contractor shall be solely and completely responsible for conditions of the job site, including safety of all persons (including employees) and property during performance of the work. This requirement shall apply continuously and not be limited to normal working hours. Safety provisions shall conform to all applicable federal (including OSHA), state, county, and local laws, ordinances, codes, and regulations. Where any of these are in conflict, the more stringent requirement shall be followed. The Contractor's failure to thoroughly familiarize himself with the aforementioned safety provisions shall not relieve him from compliance with the obligations set forth therein.

36. **Key Personnel:** It is essential that the contractor provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The Contractor must agree to assign specific individuals to the key positions.
 - A. The Contractor agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to the City.
 - B. If key personnel are not available for work under this contract for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the contractor shall immediately notify the City, and shall, subject to the concurrence of the City, replace each person with personnel of substantially equal ability and qualifications.
37. **Confidential Information:**
 - A. If a person believes that a bid offer or specification, contains information that should be withheld, a statement advising the procurement officer of this fact shall accompany the submission and the information shall be so identified wherever it appears.
 - B. The information identified by the person as confidential shall not be disclosed until the City Procurement Office makes a written determination or until after award of bid.

- C. The City Procurement Office shall review the statement and information and shall determine in writing whether the information shall be withheld. After award of contract, all bid response information shall be available for public inspection.
- D. If the City Procurement Office determines to disclose the information, the bidder shall be informed in writing of such determination. After award of contract, all bid response information shall be available for public inspection.
38. **Payments - After Monthly Statement:** Payment in full shall be made to the successful contractor within thirty (30) days after receipt and acceptance of monthly itemized statement. Unless terms other than net 30 days are offered as a discount.
39. **Indemnification:** To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, officer, officials, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees, court costs, and the costs of appellate proceedings), arising out of, or alleged to have resulted from the negligent acts, errors, mistakes, omissions, work, services, or professional services of the Contractor, its agents, employees, or any other person (not the City) for whose acts, errors, mistakes, omissions, work, services, or professional services the Contractor may be legally liable in the performance of this contract. Contractor's duty to hold harmless and indemnify the City, its agents, officers, officials and employees shall arise in connection with any claim for damage, loss or expenses that is attributable to bodily injury, sickness disease, death, or injury to, impairment, or destruction of any person or property, including loss of use resulting therefrom, caused by any negligent acts, errors, mistakes, omissions, work, services, or professional services in the performance of this contract by Contractor or any employee of the Contractor, or any other person (not the City) for whose negligent acts, errors, mistakes, omissions, work, or services the Contractor may be legally liable. The amount and type of insurance coverage requirement set forth herein will in no way be construed as limiting the scope of indemnity in this paragraph.
40. **Taxes:** Bid all products F.O.B. Tempe, prepaid. Do not include any Sales, Use or Federal Excise Tax in your bid pricing; unless specifically requested on the Price Sheet(s) within the bid/proposal solicitation document. The City is exempt from payment of Federal Excise Tax and for bid evaluation purposes will add Sales or Use Tax as applicable. For bid evaluation purposes, the transaction (sales) Privilege Tax that is to be paid (returned) to the City of Tempe, will be considered as a pass-through cost of Tempe vendors and calculated as a realized net expense of zero (0).
41. **Unauthorized Firearms & Explosives:** No person conducting business on City property is to carry a firearm or explosive of any type. Any City bidder, contractor or subcontractor is to honor this requirement at all times and failure to honor this requirement will result in contract cancellation. This requirement also applies to persons who maintain a concealed weapon's permit. In addition to contract cancellation anyone carrying a firearm or explosive device will be subject to police and legal action.

Scope

The City of Tempe is seeking bids for the supply of traffic signal equipment for the Transportation Operations Division of the Public Works Department during a twelve (12) month contract period. The resulting contract is subject to renewal for subsequent periods as provided for within the Special Terms and Conditions section of this Invitation for Bid.

Warranty and Specification Compliance:

Each offeror shall include in their bid all warranties and/or guarantees with respect to material, workmanship, and performance of their products bid. A minimum guarantee of two (2) years (controllers excluded) shall be provided.

Special Note:

Please review spaces provided for manufacturer's name and model numbers on price sheet. When equipment requirements include assemblies or multiple part numbers, insert as many of the part(s) numbers as possible, (if there isn't enough space, an attachment may be used). It is the City's desire to have the part numbers shown on the packing slips and invoices be identical to those stated on bid forms to establish the accuracy and completeness of shipments received.

All equipment shall be delivered to the following address within the delivery schedule shown below:

City of Tempe Traffic Operations Facility
945 W. Rio Salado Parkway
Tempe, Arizona 85281
Between 8:00 a.m. and 2:00 p.m., Monday through Friday,
Excluding holidays.

Specifications

Unless provided for in the Scope and Specification, all equipment is to conform to the conditions and requirements established and defined by: 1) Arizona Department of Transportation General Specifications for Traffic Signals and Highway Lighting, latest edition, and 2) these specifications.

Each signal head shall be of the adjustable, colored light, vertical type with the number and type of heads detailed herein and shall provide a light indication in one direction only and shall be adjustable. All signal heads shall be arranged: Red – top, Yellow – center, Green – bottom, or Red – top, Yellow, Green, Yellow arrow, Green arrow – bottom.

Optical Units:

The optical unit shall consist of a lens, a reflector and a lamp holder.

- a) Lenses – each lens shall conform to the Institute of Transportation Engineers standards and National Electrical Manufacturers Association (NEMA). Only yellow lenses shall be glass. All lenses shall be LED ready.
- b) Reflector – each reflector shall consist of a one-piece, Alzak reflector and conform to Institute of Transportation Engineers Standards. The reflector holder shall be hinged to the signal housing and held firmly in place with spring tension.
- c) Lamp holder – the lamp holder shall have a heat-resistant molded phenolic housing, brass contacts and be designed to accommodate up to 150-watt standard A-21 traffic signal lamp, in the proper focal position.

Signal Head:

- a) General – the signal head shall consist of an assembly of separate sections substantially secured together in a watertight manner to form the number of units required. Heads shall present a pleasing appearance and be black in color. Each section shall house an individual optical unit.
- b) Housing – the housing of each section shall be one piece, polycarbonate and delivered completely assembled ready to install per T.S. 8-1, 9-1, 9-2, 9-5, or 9-8, in accordance with mounting specifications and shall be black in color. *Edge of housing shall be flush with no tabs protruding from the housing.*

Visors (Hood):

Each signal section shall be supplied with a polycarbonate black visor installed.

Bid Questionnaire

1. Local sales office location:

Contact: Phoenix Highway Products
Street: 2631 N. 37th Drive
City: Phoenix, AZ 85009
Phone: (602) 344-7770- Debra Lesan

2. Warehouse/shipping location:

Contact: Siemens ITS
Street: 8004 Cameron Rd
City: Austin, TX 78754
Phone: (512) 837-8353 Rick Hebb

3. If not a local warehouse, will vendor warehouse a minimum order shipment on a local basis, as requested?

Yes No

4. Product(s) delivery time A.R.O.: 45 Days

5. Can you meet required delivery schedules?

Yes No

6. Does your equipment/products meet the City of Tempe's specifications?

Yes No

If not, please list any exceptions:

7. Please state guarantees or warranties:

2 year

8. List three (3) user references for the equipment/products(s) being proposed:

	Company	Contact	Phone
1.	City of Phoenix	Bruce McIntyre	(602) 256-5698
2.	City of Albuquerque	Charles McCoy	(505) 857-8672
3.	Pima County	Don Pittenger	(520) 740-5887

IFB Checklist For Submittals

- One- (1) signed and complete original of the Bid response, including "Vendor's Bid Offer" (Form 201-B).
- The Bid Questionnaire has been completed and included.
- Price Information completed and included.
- Any addendum(s) have been included.
- Warranty and/or guarantees have been included.

Company Name: Phoenix Highway Products

PRICE SHEET

ITEM NO.	DESCRIPTION OF REQUIRED MATERIAL, SERVICE OR CONSTRUCTION	QTY	UNIT	UNIT PRICE	EXTENDED PRICE
----------	---	-----	------	------------	----------------

GROUP 1

1.	Type F Signal Head 12", 3-Section, Poly vehicle signal with Alzak Reflector and glass lens in yellow section only. City will supply LED's.	60	Each	\$ <u>110⁰⁰</u>	\$ <u>6,600⁰⁰</u>
----	---	----	------	----------------------------	------------------------------

Manufacturer: Siemens

Model Number: SA103A1C31BBB63

2.	Type C Signal Head 8", 3-Section, Poly vehicle signal, green and red sections LED ready. Glass lens in yellow section only. City will supply LED's.	40	Each	\$ <u>91⁰⁰</u>	\$ <u>3,640⁰⁰</u>
----	--	----	------	---------------------------	------------------------------

Manufacturer: Siemens

Model Number: SA130A1C31BBB63

3.	Type Q Signal Head 12" 5-Section Poly vehicle signal, red and green sections LED ready. City shall supply LED's. (R,Y,G,12" Y-Left arrow, G-Left arrow)	30	Each	\$ <u>271⁰⁰</u>	\$ <u>8,130⁰⁰</u>
----	--	----	------	----------------------------	------------------------------

Manufacturer: Siemens

Model Number: SA105A1C31BBB78

4.	Type H Signal Head 8" 3-Section – 12" 2-Section AR Poly vehicle signal, red and green sections LED ready. City shall provide LED's. (8", R,Y,G, 12" Y-Left arrow, G-Left arrow)	30	Each	\$ <u>240⁰⁰</u>	\$ <u>7,200⁰⁰</u>
----	--	----	------	----------------------------	------------------------------

Manufacturer: Siemens

Model Number: SA¹³²~~10~~A1C31BBB78

Company Name: Phoenix Highway Products

PRICE SHEET

ITEM NO.	DESCRIPTION OF REQUIRED MATERIAL, SERVICE OR CONSTRUCTION	QTY	UNIT	UNIT PRICE	EXTENDED PRICE
----------	---	-----	------	------------	----------------

5.	Type R Signal Head 12" 3-Section, Poly vehicle signal, All arrow, red and green sections LED ready. City shall provide LED's.	40	Each	\$ <u>128⁰⁰</u>	\$ <u>5120⁰⁰</u>
----	--	----	------	----------------------------	-----------------------------

Manufacturer: Siemens

Model Number: SA103B1C31BBB79

Group 1 Total: \$ 30,690⁰⁰

GROUP 2

6.	Type B LFE (automatic signal) Part #A838006 or approved equal	40	Each	\$ <u>56⁰⁰</u>	\$ <u>2,240⁰⁰</u>
----	--	----	------	---------------------------	------------------------------

Manufacturer: Siemens

Model Number: A838006

GROUP 3

7.	Pedestrian Modifications Kits To convert Econolite single housing neon Pedestrian Signals to "Hand/Walking Man" symbols, solid state neon	50	Each	\$ <u>No Bid</u>	\$ <u>No Bid</u>
----	--	----	------	------------------	------------------

Manufacturer: _____

Model Number: _____

GROUP 4

8.	Modification Kits to convert I.C.C. signal housing neon Pedestrian Signals to "Hand/Walking Man" symbol, solid state neon	30	Each	\$ <u>No Bid</u>	\$ <u>No Bid</u>
----	---	----	------	------------------	------------------

Manufacturer: _____

Model Number: _____

Company Name: Phoenix Highway Products

* Applicable Tax 8.1 %

* **State correct jurisdiction to receive sales tax on the Vendor's Bid Offer, form CS-P201 (B) included in this Invitation for Bid document.**

Less prompt payments discount terms of ___ % ___ days/ or Net 30 days. (To apply after receipt and acceptance of an itemized monthly statement.) For bid evaluation purposes, the City cannot utilize pricing discounts based upon payments being made in less than 30 days from receipt of statement.

Ordering and Invoice Instructions

In order to facilitate internal control and accounting, each City Department will order and must be invoiced separately. Monthly invoices must be segregated by City Department number and mailed or delivered directly to the City Customer Department. For most materials, there will be between three - (3) and six - (6) ordering departments. At the time an order is placed, the contractor must obtain the ordering department's cost center numbers for billing purposes. The use of the department's cost center numbers will be in addition to the purchase order number. Once a month, the contractor shall submit a consolidated statement which shall itemize the invoice numbers, invoice date, invoice amounts, and the total amount billed to Accounting. Discount offering will be based upon days from receipt of the consolidated monthly statement. Invoice(s) shall not show previous balances.

Invoices shall include:

1. Listing Of All Delivery/Pickup Receipt Numbers Being Invoiced.
2. Total Cost Per Item.
3. Applicable Tax.
4. Payment Terms.
5. Blanket Purchase Order Number.

Invoices that do not follow the above minimum invoicing requirements will not be paid. Payment must be applied to only invoices referenced on check/payment stub. The City reserves the right to bill contracted vendor for researching invoices that have been paid, but not properly applied by vendor account receivables office.

Statement mailing address: City of Tempe
Accounting (see below for your contact)
P.O. Box 5002
Tempe, Arizona 85280

Accounting Contacts: Rajean Cruz Letters A-C
Ramona Zapien Letters D-O
Penny Brophy Letters P-Z

(H:/IFB 3-2002)

**Request for Taxpayer
 Identification Number and Certification**

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name Phoenix Highway Products, Inc.	
Business name, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other	
Address (number, street, and apt. or suite no.) 2631 N. 37th Drive	Requester's name and address (optional)
City, state, and ZIP code Phoenix, AZ 85009	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 3.

Social security number
+ +
or

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number
81610881351615

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person Debra Leon	Date 5/16/06
------------------	--	---------------------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.