



REQUEST FOR PROPOSALS

for Residential Water and Sewer Service Line Protection Program

PHILADELPHIA ENERGY AUTHORITY (“PEA”)

Issued by:

THE PHILADELPHIA ENERGY AUTHORITY (“PEA”)

All proposals must be submitted electronically through email to Alon Abramson, Program Manager, at aabramson@philaenergy.org.

Proposals must be received no later than 5:00 PM Philadelphia, PA, local time on May 18, 2018.

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I. RFP Schedule

RFP Issued:	April 9, 2018
Intent to Respond Due:	April 20, 2018
Respondent Questions Due:	April 27, 2018
Response to Questions Distributed to All Intended Respondents:	May 2, 2018
Proposals Due:	May 18, 2018
Respondent Interviews:	May 24 – June 1, 2018
Selection of Provider:	June 8, 2018
Project Commencement:	Upon negotiation of final contract

II. Project Overview

1. Overview

The City of Philadelphia is the largest city in the Commonwealth of Pennsylvania and the sixth-most-populous city in the United States with over 1.5 million residents. The City encompasses approximately 134 square miles of land area. In this area, there are over 3,000 miles of water mains and 3,300 miles of sewer in Philadelphia, serving approximately 475,000 residential customers. In Philadelphia, the property owner is responsible for maintaining and repairing all components of the water supply and sewer drainage systems (a large segment of Philadelphia properties are located in areas with combined sewer and stormwater service as shown in Appendix E, available at http://www.philaenergy.org/public_bids/rfp-for-residential-water-and-sewer-line-service-protection-program/) connecting the house to the main. Some property owners are not aware of this responsibility and fail to properly repair leaking or otherwise broken pipe, while others may be aware but cannot afford or choose to delay or not perform repairs. Deferred corrective maintenance may exacerbate existing problems and create new ones.

The Philadelphia Energy Authority (“PEA”) is seeking a partner (“Provider”) to provide an emergency water and sewer service line protection program for residential customers in Philadelphia, PA (“Program”). The Program will provide qualified property owners (“Customers”) the opportunity to voluntarily purchase insurance coverage to repair the external plumbing connecting a home to the water main and/or sewer. The Program will operate separately from PWD’s standard service offerings and will be billed independently. Program payments will not be added to Customers’ water bills.

It is the intent of PEA to enter into a two-year contract with the selected Respondent, with the option of up to three (3), one-year renewals. Coverage is described in detail in **Section IV** and will include the repair or replacement of a Customer's water service line from the ferrule to the water meter and sanitary and storm laterals from the main house drain to the slant, as well as labor and materials to complete all repairs and replacements. Repairs will be required to meet all applicable Philadelphia and Pennsylvania codes, standards, and processes.

2. Background

i. Philadelphia Energy Authority

PEA is a municipal authority focused on issues of energy affordability and sustainability for Philadelphia's government and its citizens. Established in 2010 by City Council and the Mayor, PEA seeks systemic solutions to our energy challenges, supporting the work of a robust community of energy experts, advocates, and champions citywide.

In February 2016, PEA and City Council President Darrell Clarke launched the Philadelphia Energy Campaign, a 10-year initiative to leverage \$1 billion in investment in energy efficiency and clean energy projects across four key sectors: City buildings, the School District of Philadelphia, low- and moderate-income residential housing and small businesses. Our goal is to create 10,000 jobs, reach 25,000 households and support 2,500 small businesses. The Energy Campaign is neighborhood-driven, and strives to strengthen communities, cut energy bills, reduce Philadelphia's carbon footprint and build our local economy equitably.

ii. Philadelphia Water Department

The Philadelphia Water Department (PWD) is a municipal water utility providing water supply, sewer, and stormwater management services to residential, commercial, and industrial customers in the Philadelphia, PA.

When PWD has determined that a water supply and/or sewer drainage system is defective (broken, leaky, damaged, etc.), PWD serves the property owner a Notice of Defect (NOD), and the property owners is required to repair the defect(s) within the period stated on the notice. During FY2016, PWD issued approximately 4,900 NODs to residential property owners.

When a property owner fails to fix a defect or does not fix a defect in a timely manner, PWD will enforce the NOD by shutting off water, or by abating the defect, depending upon the severity of the problem and impact on health and safety.

Currently, PWD administers an emergency repair program for defective water and sewer service lines. Customers that receive a NOD may qualify for the Homeowner's Emergency Loan Program (HELP). HELP loans are repayable over a sixty (60) month period with no additional cost to the customer if paid on time. A protection program would complement the HELP program and aid in expediting these repairs for enrolled residential property owners and help to prevent damage to private plumbing or public infrastructure.

3. Request for Proposals

PEA is seeking to execute a contract with the selected Provider, allowing the Provider to market services/home protection programs to residential Customers residing in Philadelphia and receiving water, sewer, and stormwater service from the PWD. PEA will permit the Provider the use of its name and logo for purposes of branding the program's products and services to Philadelphia residents (as approved). Additionally, PEA will:

- Collaborate with the Provider to ensure all eligible residents are informed of the program's services;
- Approve customer communication materials;
- Review customer service and quality assurance reports provided on a monthly or quarterly basis to assess customer satisfaction with the program and its services;
- Supply the Provider with direction for profit sharing.

PWD will provide program support by providing customer mailing information for purposes of correctly and uniquely identifying customers. In the event that a customer contacts PWD directly, PWD will route requests for enrollment, service, or repairs to the Provider.

Neither PEA nor PWD will pay Provider for the opportunity to partner with the City or to advertise to PWD customers.

III. Instructions and Process

1. Instructions

Follow all instructions outlined below for submission of responses and include all required components detailed in **Section V** in your response.

Instruction	Details
Intent to Respond	Respondents should indicate their intent to respond to the RFP. Intent to Respond must be submitted via email only to PEA at aabramson@philaenergy.org and submitted by April 20, 2018.
Questions Regarding the RFP	Questions on this RFP must be submitted via email only to PEA at aabramson@philaenergy.org and submitted by April 27, 2018.
Response Submission	Format: Response should be submitted in electronic (PDF) format. Please follow the section format detailed in the Section V Response Requirements.
Response Due Date	Proposals must be received by Philadelphia Energy Authority by

	May 18, 2018 5:00 p.m. ET.
Proposal Disqualification	<p>A response may be disqualified from further consideration if the response:</p> <ul style="list-style-type: none"> ● Fails to meet minimum requirements outlined in the Scope of Work ● Fails to answer the questions listed in Response Requirements adequately ● Provides false or misleading information ● Fails to meet the given deadlines
Exceptions	Clearly document all exceptions that apply to your response.

2. RFP Evaluation Criteria

Submitted proposals will be evaluated by a review panel including PEA and PWD staff and using the following scoring system:

Criteria	Maximum Possible Points
Technical	50
Coverage/cost to the homeowner/community benefits	30
Equal opportunity participation plan	20
Total	100

i. Technical

The weight for the Technical criterion for this RFP is **50%** of the total points. Evaluation will be based upon the following, in equal order of importance:

1. Understanding the Problem
2. Contractor Prior Experience and Market Penetration in Similar Cities
3. Personnel Qualifications
4. Subcontractor Qualifications and Hiring Plan
5. Soundness of Approach and Market Development Process

ii. Cost

The weight for the Cost criterion for this RFP is **30%** of the total points. The cost criterion is rated by weighing both the Respondent’s Customer fee and the community benefits package.

$$C = \left[1 - \frac{B - A}{A}\right] \times 15 + \left[1 - \frac{D - E}{D}\right] \times 15$$

C: Cost score (points).

A: Lowest Respondent’s Customer fee.

B: Respondent’s Customer fee being scored.

D: Highest Respondent’s community benefits package.

E: Respondent’s community benefits package being scored.

iii. Equal opportunity participation plan

The evaluation weight for the Equal Opportunity Participation criterion for this RFP is **20%** of the total points.

The Equal Opportunity Participation point allocation is based on the expected percentage of the program cost committed to Minority Business Enterprises (“MBE”), Woman Business Enterprises (“WBE”) and Disabled Business Enterprises (“DBE”) (collectively, “M/W/DBE”). It will also take into consideration the strategy and approach for hiring a local and diverse workforce, and partnering with Philadelphia-based subcontractors.

IV. Scope of Work

This Scope of Work outlines the PEA’s responsibilities in addition to minimum requirements for the Provider, which PEA considers essential to a successful program. Respondents must meet all requirements as outlined below or provide clear explanation of why certain requirements cannot be met.

1. Program Implementation and Administration

The Provider will be expected to manage program implementation and all phases of program administration including customer requests, enrollment, dispatching contractors, billing, service repairs, Customer complaints and service cancellation. Provider must be willing to appoint an employee as the key contact/representative for PEA account. It is expected that appointed contact/representative will continue relationship throughout the program duration. The appointed contact will be responsible for regular reporting of Program milestones and specific performance metrics.

2. Coverage

The Provider will cover the cost of all external plumbing components, for the replacement of the water service line from the ferrule (inclusive) to the water meter and repair and/or replacement of sanitary and storm laterals from the main house drain to the slant (inclusive), as well as labor and materials to complete all repairs and/or replacement of the sidewalk and/or roadway as necessary. Repair and/or replacement coverage will include basic site restoration such as backfilling, raking and reseeding/re-sodding, and other improvements as necessary.

- A. Minimum coverage includes repair and/or replacement of leaking or otherwise broken pipe or fixtures.
- B. Repairs and/or replacement related to the issuance of a Notice of Defect (NOD) by PWD must be included in coverage, although an NOD from PWD should not be required to initiate repair/replacement.
- C. Philadelphia has a small number of cases of service lines and laterals running through an adjacent property. Respondents must note in the Work Plan (see **Section V.6** below) how they propose to address repairs in such cases.
- D. Provider will not require residential property owners to pay deductibles for service calls.
- E. Provider will guarantee a response time by a qualified plumber (generally a maximum of 24 hours).
- F. Provider coverage must include cost of acquiring permits, if permits are required. The Sewer Connection and Repair Manual in **Appendix F** and is available for download at http://www.philaenergy.org/public_bids/rfp-for-residential-water-and-sewer-line-service-protection-program/.
- G. Repair/replacement work will include, at a minimum, restoration of all disturbed paving, footway, curb, and grass areas and comply with all regulations. Street repairs must account for pre-existing paving type (e.g. porous pavement and subbase must be restored to its pre-construction condition).
- H. Inspection of the water or drainage system will not be required as a prerequisite for enrollment in the protection program; however, the Provider may institute a waiting period from the date of the residential property owner's enrollment prior to honoring the first claim(s) for service.

3. Repair Service(s)

Provider repair services will meet the following specifications:

- A. Repairs and materials must adhere to all applicable federal, state, local, environmental, health and safety regulations. All repair/replacement service(s) must be in compliance with City Code, applicable Regulations and ordinances. In cases where the qualifying leak or failure occurs on a service line that is a galvanized or lead pipe, the plumber must replace that residential customer's water service line in its entirety with a material allowable for potable water by the Philadelphia plumbing code and/or PWD Regulations.
- B. Provider must provide qualified and reputable licensed professional subcontractors to perform the repairs or replacement of water and sewer service lines.

- C. Provider must have comprehensive and documented subcontractor vetting process.
- D. Subcontractors must be licensed by the City of Philadelphia Department of Licenses and Inspections and authorized to do business in Philadelphia, and must be bonded and insured prior to performing any work related to the Provider's program.
- E. Provider and subcontractors must be current with respect to the payment of City taxes or other indebtedness owed to the City, as described in **Section V.10**.
- F. Provider must comply with local and diverse hiring requirements as described in **Sections V.7 and V.8**.
- G. Provider must have evidence of measures to ensure customer satisfaction and quality of work.
- H. Provider must have system for overseeing subcontractor performance and for enforcing necessary corrective actions.

4. Marketing

It is expected that the Provider will execute a marketing plan that is directed at all eligible customers. Provider will be expected to incur costs for all marketing design, production and mailing costs for brochures, flyers, press releases, and other marketing needs. All marketing materials must be pre-approved by PEA.

- A. Provider must have in-house marketing resources with experience in a variety of marketing channels (e.g., social media, direct mail, and website).
- B. Provider will use customer data, names and addresses supplied to assist in marketing efforts.
- C. Provider will include a simple diagram for customers in all marketing materials denoting plumbing components included in coverage.
- D. Provider will prepare and execute a mixed media marketing plan that is targeted to residential property owners.
- E. Provider may use PEA's logo for co-branding and marketing purposes. Provider must obtain approval for all marketing materials that contain the PEA logo prior to distribution.
- F. Provider will be expected to cover the costs of producing and distributing all marketing materials.
- G. Provider should make best efforts to publish marketing materials in the top 10 languages (in Philadelphia) by population on its website. Provider can work with PWD's Language Access Coordinator for support.

5. Customer Service and Satisfaction

Minimum customer services will include:

- A. Provider will provide a toll-free customer service telephone number that is available 24 hours a day, 365 days per year, with live staff for all residential customer claims/requests for service.
- B. Provider will provide a toll-free telephone number that is available for customer inquiries, applications for service, customer billing, and non-emergency calls during normal

business hours, but no less than 45 hours per week.

- C. Provider will provide translation services for customers as needed.
- D. Provider will have a website for customers to obtain information on all elements that are available through the phone service outlined in 5.B above.
- E. Provider will be required to guarantee response time, including schedule of replacement or repair with residential customer and repair subcontractor within 24 hours.
- F. Provider will enable residential customers to enroll or cancel at any time.
- G. Provider must, at a minimum, restore site conditions per City standards, as described in the **Section IV.2** above.
- H. Provider will offer at least a one (1) year warranty on all repair and replacement work plus a two (2) year warranty covering all concrete/brick repairs, regardless of whether the residential customer continues to maintain an account after the repair or replacement has occurred, or in the event that there is a change in ownership of the property.

6. Data Security

Provider must have information security framework and data security measures in place to ensure the safety of customer data.

7. Quality Assurance

Minimum quality assurance will include:

- A. Provider will collect and tabulate data on the following metrics, at a minimum: residential property owner participation, customer satisfaction, number of repairs, types of services provided, the nature of complaints and how they were resolved, and other relevant quality assurance measures. Provider should be required to provide this information to PEA on a quarterly basis, and when otherwise requested, to ensure that Provider and plumbers are meeting the established expectations.
- B. Provider will ensure that all required permits are obtained and repair work is performed in compliance with all applicable codes, regulations and ordinances.
- C. Provider will ensure that all repairs are made in accordance with all Occupational Safety and Health Administration requirements.
- D. Provider will ensure that service repairs not meeting City standards are corrected within 30 days, weather permitting.
- E. PEA or its designated third-party consultant may perform quality assurance inspections at any time.
- F. Provider will establish an appeals/complaint process for residential customers.

V. RFP Response Requirements

The following requirements shall be included in the interested Respondent's submission and will be used to evaluate proposals.

1. Title Page

Provide the title of the Proposal being submitted and submittal date. Also include Respondent's business identification information, including business name, business address, telephone number, company logo, website address, and federal taxpayer identification number or federal employer identification number.

Include a primary contact for the Respondent, including contact name, job title, contact address, telephone and fax numbers, and email address.

2. Cover Letter

Include a cover letter on the Respondent's letterhead outlining the proposal.

3. Table of Contents

Include a table of contents with a list of all sections, sub-sections and supporting appendices. Page number cross-references are to be included.

4. Executive Summary

Description of Respondent's capability to perform the specific tasks outlined in this RFP within the specified timeframe.

Highlight any features and/or benefits that may distinguish your proposal, including:

- A. A description of Respondent's business background, including, if not an individual, Respondent's business organization (corporation, partnership, LLC, for profit or not for profit, etc.), whether registered to do business in Philadelphia and/or Pennsylvania, country and state of business formation, number of years in business, primary mission of business, significant business experience, whether registered as a minority-, woman-, or disabled-owned business or as a disadvantaged business and with which certifying agency, and any other information about Respondent's business organization that Respondent deems pertinent to this RFP.
- B. A description of the firm and general background such as ownership, staff size, main branch of operations, locations, and services provided.
- C. A description of the Respondent's key personnel for this project.

5. Project Understanding

Provide a statement of the objectives, goals and tasks to demonstrate the Respondent's view of the nature of the project. Respondents must identify known and potential project challenges.

6. Work Plan and Timeline

Respondent must provide a work plan, including a project timetable that identifies and describes the project tasks to be accomplished and proposed project approach. The plan shall be written as succinctly and clearly as possible to describe the required elements listed below.

i. Service Plan

Provide detailed information regarding the Residential Water and Sewer Service Line Protection Program including:

- a. Description of program coverage;
- b. Description of program terms and conditions;
- c. Description of program coverage limitations and exclusions;
- d. Description of procedures if customer repairs exceed limitations;
- e. Description of warranty provisions for repair/replacement work performed;
- f. Description of claims process and average cycle times for claim submission;
- g. Description of process for roadway, landscape, and concrete walkway pavements replacements; and
- h. Description for process of conducting repairs in cases where service lines or laterals are located within an adjacent property.

ii. Customer Service

Provide detailed information on the Customer Service/Call Center including:

- a. Description of what customers should expect when a service request is made;
- b. Emergency repair response times and procedures for handling customer claim calls; and
- c. Description of customer service/call center capacities.

iii. Marketing

Provide detailed information on your anticipated marketing strategy including:

- a. Information on the method and plan;
- b. Sample promotional materials, description of expectation of City of Philadelphia and PEA involvement and responsibility in the marketing process;
- c. Description of minimum marketing investment by the Provider;
- d. Description of marketing staff, expected number of enrolled customers during the first two years; and
- e. Market penetration achieved by your firm for programs in cities similar to Philadelphia in terms of city age, population, and socioeconomic demographics.

iv. Quality Assurance

Provide detailed information on your quality assurance program/procedures including:

- a. How work on covered service lines will be evaluated;
- b. Key performance measures of success and customer satisfaction;
- c. Description of policies and procedures to oversee and evaluate subcontractor work and repairs; and
- d. Detailed table or matrix identifying all parties responsible for all functions of the program.

v. Implementation

Provide a tentative project plan for program implementation including:

- a. Copy of the policy provided to the customer under the program;
- b. Any application the customer will be required to submit;
- c. Description of what would happen to participating customers if the program is discontinued; and
- d. Strategy and approach for hiring a local and diverse workforce, and partnering with Philadelphia-based subcontractors.

vi. Product Pricing/Financial Package Summary

Describe the financial package, as applicable include the following:

- a. Product pricing: coverage limits, number of covered service calls per calendar year, any additional Customer charges.
- b. Community benefits package: Upfront payment to PEA (clarifying if it is an outright payment or an advance against royalties); commission on policy sales; marketing/Customer education expenditure; any other financial considerations.

vii. Reporting

The selected Provider will be required to submit quarterly management reports to PEA detailing all aspects of the Program as outlined in **Section IV**. Provide a detailed description and listing of reports proposed for the Program. The selected Provider will be required to report, at a minimum:

- a. Program implementation and administration metrics, including the number of customers enrolled in the program, the number of repairs initiated along with the reason for initiation (PWD NOD or customer call), number of Customer calls logged, dollars spent to make repairs, and time required to schedule and to address replacements and repairs.
- b. Workforce and hiring metrics, including M/W/DBE participation levels as outlined below, as well as new hiring by the Provider and any subcontractors as a result of this program.

7. M/W/DBE Participation Commitment/Diversity Reports

Each Respondent is required to meet a goal of 25% for participation by Minority Business Enterprises (“MBE”), Woman Business Enterprises (“WBE”) and Disabled Business Enterprises (“DBE”) (collectively, “M/W/DBE”). Respondents are required to complete and return with their proposals the PEA Solicitation for Participation and Commitment form (distinct from the City’s form) which is included in Appendix B and is available for download at http://www.philaenergy.org/public_bids/rfp-for-residential-water-and-sewer-line-service-protection-program/. Each Respondent will submit an estimate of the expected dollar value of work to be completed in Philadelphia that is used as the basis for determining M/W/DBE

participation. Respondent must provide justification for the estimated dollar value of work to be completed based on the estimated market penetration or the number of households expected to sign up for the program during the initial two-year contract period as requested in **Section V.6.iii**.

Failure to submit the required information will result in rejection of Respondent proposal. Respondent must meet all of the following conditions to be considered to be in compliance with the M/W/DBE participation goals:

- A. Only firms that are certified by an approved certifying agency¹ by the time of contract award will be credited toward the participation goals on PEA contracts.
- B. The M/W/DBE participant must perform a commercially useful function. An M/W/DBE performs a commercially useful function when it performs a distinct element of a Contract (as required by the services to be performed in accordance with the RFP) and when the M/W/DBE carries out its responsibilities by managing and supervising the services involved and actually self-performing at least twenty percent (20%) of the services of the Subcontract with its own employees. Commercial usefulness will be evaluated and determined by PEA on a proposal-by-proposal basis as informed by prevailing industry standards and the M/W/DBE's NAIC codes. Participation that is not commercially useful will not be counted.
- C. In order to maximize opportunities for as many businesses as possible, a firm that is certified in two or more categories (e.g. MBE and WBE and DBE or WBE and DBE) will only be credited toward one participation goal as either an MBE or WBE or DBE. The firm will not be credited toward more than one category. Respondents will note with their submission which category, MBE or WBE or DBE, is submitted for credit.
- D. An M/W/DBE submitting as the prime Respondent is required, like all other Respondents, to submit a proposal that meets the M/W/DBE participation goals stated above. The M/W/DBE Respondent will receive credit towards the participation goal for its certification category (e.g., MBE or WBE or DBE). In addition, the participation of an M/W/DBE partner, as part of a joint venture created for this contract, may be credited towards the participation goals only to the extent of the M/W/DBE partner's ownership interest in the joint venture in accordance with the following criteria:
 - a. The MBE, WBE or DBE partner(s) must be certified by a Certifying Agency prior to contract award;
 - b. The M/W/DBE partner(s) must derive substantial benefit from the arrangement;
 - c. The M/W/DBE partner(s) must be substantially involved in all phases of the contract including planning, staffing and daily management;
 - d. The business arrangement must be customary (i.e., each partner shares in the risk and profits of the joint venture commensurate with their ownership interest, contributes working capital and other resources, etc).
- E. In listing participation commitments on the PEA Solicitation for Participation and Commitment Form, Respondents are required to list a detailed description of the

¹ Federal, state, local government, or quasi-governmental agencies or authorities authorized by law to certify MBE/WBE/DBE's qualifications in terms of ownership, management, and control.

services or supply effort and percentage of the contract the participation represents. PEA reserves the right to request clarifying information from Respondents in the event of an inconsistency or ambiguity in the PEA Solicitation for Participation and Commitment Form.

If Respondent does not fully meet the goal for participation established for this RFP, the respondent must demonstrate that it exercised Best and Good Faith Efforts to achieve the M/W/DBE participation goals along with a written request, on its letterhead, for the reduction of part or all of the M/W/DBE participation goals ("Request For Reduction/Waiver"). Respondent, through the submission of documentary evidence must show that Respondent took all necessary steps and made reasonable efforts to achieve the M/W/DBE participation goals, even if these efforts were not fully successful. PEA will evaluate the scope, intensity and appropriateness of these efforts to ascertain whether they could reasonably be expected to achieve M/W/DBE participation commensurate with the goals. Failure to submit the documentary evidence will result in rejection of the proposal as nonresponsive; PEA, at its sole discretion, may allow Respondents to submit or amend their submission at any time prior to award which may result in revision to Respondent's participation commitments. The submission shall contain and discuss, at a minimum, the following:

- A. Reasons for not committing with any MBE/WBE/DBEs that submitted a quote/subproposal, regardless of whether the quote/subproposal was solicited by Respondent.
- B. Any additional evidence pertinent to Respondent's conduct relating to this RFP including sufficient evidence which demonstrates to PEA that Respondent has not engaged in discriminatory practices in the solicitation of and commitment with contract participants. In describing Respondent's efforts to achieve participation within the goals, Respondent may submit any corroborating documentation (e.g., copies of advertisements for participation).

After review of the respondent's submission and other information PEA deems relevant to its evaluation, PEA will make a written determination. If the proposal is determined nonresponsive by PEA, the respondent will be notified and may file a written appeal with the Executive Director of PEA within forty-eight (48) hours of the date of notification; the decision of the Executive Director of PEA shall be final.

The selected respondent shall maintain all books and records relating to its M/W/DBE commitments (e.g. copies of quotations, subcontracts, joint venture agreement, correspondence, cancelled checks, invoices, telephone logs) for a period of at least three (3) years following the conclusion of the contract with PEA. These records shall be made available for inspection by PEA. The selected respondent agrees to submit reports and other documentation to PEA as deemed necessary by PEA to ascertain the selected respondent's fulfillment of its M/W/DBE commitments. If PEA determines that the selected respondent has failed to comply with any of the M/W/DBE participation requirements during the course of the contract with the respondent, it may elect to exercise any rights and remedies it may have under the Contract, which includes termination of the Contract.

8. Local Business Entity or Local Impact Certification

The Provider will establish a network of local subcontractors to perform repair work for program participants with a preference for hiring subcontractors residing in the City of Philadelphia. Plumbers completing water and sewer service line repair work will need to be licensed by Philadelphia Licenses and Inspection (L+I). The process for plumber licensure can be accessed at the L+I website at <https://business.phila.gov/plumbers-license/>.

PEA will, in the selection of the successful Respondent, consider whether that Respondent has certified that either (1) Respondent meets the criteria stated in Section 17-109(3)(b) of the Philadelphia Code to qualify as a Local Business Entity or (2) in the performance of the resulting contract, Respondent will employ City residents. Any Respondent who wishes to demonstrate its eligibility for this consideration shall do so by completing, executing and attaching to its application a completed Local Business Entity or Local Impact Certification, the form of which is attached to this RFP as **Appendix D**. PEA shall deem it a positive factor where the Respondent has, in PEA's sole discretion, met the Local Business Entity or Local Impact criteria.

9. Experience and References

Provide a brief statement of qualifications and capability to perform the services sought by this RFP, including a description of relevant experience with service line protection programs to similar sized urban municipalities, including:

- a. Description of company history & qualifications. Include years of relevant experience, number of current partners, customers, active policies and experience in providing water and sewer service line protection programs.
- b. Any endorsements by state, local or other associations.
- c. Financial statements, or URL link, for the past two consecutive years.
- d. Policy underwriting qualifications: Are policies underwritten by an "A" rated national insurance company or are they self-insured by the provider?

Provider should indicate references from three current utility or municipal partners with similar products and programs. References should be from a non-affiliate (parent, sister, or subsidiary company). Please provide for each reference:

- Entity name
- Address
- Contact name, Title
- Phone number
- Email address

10. Notice to State Requested Exceptions to Contract Terms and Conditions

PEA's Standard Contract Terms and Conditions for services of the type sought by this contracting opportunity are attached to this RFP as **Appendix A**. By submitting a proposal in response to this contract opportunity, the Respondent agrees that, except as provided herein, it will enter into a contract with PEA containing substantially the Contract Terms and Conditions.

Respondents must state clearly and conspicuously any modifications, waivers, objections or exceptions they seek (“Requested Exceptions”) to the Contract Terms and Conditions in a separate section of the proposal entitled “Requested Exceptions to Contract Terms and Conditions.” For each Requested Exception, the Respondent must identify the pertinent Contract Term by caption and section number and state the reasons for the request. The Respondent must also propose alternative language or terms for each Requested Exception. Requested Exceptions to PEA’s Contract Terms and Conditions will be approved only when PEA determines in its sole discretion that a Requested Exception makes business sense, does not pose unacceptable risk to PEA, and is in the best interest of PEA. By submitting its proposal, the Respondent agrees to accept all Contract Terms and Conditions to which it does not expressly seek a Requested Exception in its proposal. PEA reserves the right, in its sole discretion, to evaluate and reject proposals based in part on whether the Respondent’s proposal contains Requested Exceptions to Contract Terms, and the number and type of such requests and alternative terms proposed.

If, after PEA issues its notice of intent to contract to an Respondent, the Respondent seeks Requested Exceptions to Contract Terms that were not stated in its proposal, PEA may, in its sole discretion, deny the Requested Exceptions without consideration or reject the proposal.

PEA reserves the right, in its sole discretion, (i) to waive any failure to comply with the terms of this Notice if it determines it is in the best interest of PEA to do so; and (ii) to require or negotiate terms and conditions different from and/or additional to the Contract Terms and Conditions in any final contract resulting from this contract opportunity, without notice to other Respondents and without affording other Respondents any opportunity to revise their proposals based on such different or additional terms.

11. The Philadelphia Tax and Regulatory Status and Clearance Statement

It is the policy of the City of Philadelphia and PEA to ensure that each contractor and subcontractor has all required licenses and permits and is current with respect to the payment of City taxes or other indebtedness owed to the City (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), and is not in violation of other regulatory provisions contained in the Philadelphia Code. To assist PEA, through the City of Philadelphia Department of Revenue and Department of Licenses and Inspections, in determining this status, each Respondent is required to submit with its proposal the certification statement entitled City of Philadelphia Tax and Regulatory Status and Clearance Statement which is attached to this RFP as **Appendix C**.

If the Respondent is not in compliance with the City’s tax and regulatory codes, an opportunity will be provided to enter into satisfactory arrangements with the City. If satisfactory arrangements cannot be made, Respondents will not be eligible for award of the contract contemplated by this RFP.

The selected Respondent will also be required to assist PEA in obtaining the above information from its proposed subcontractors. If a proposed subcontractor is not in compliance with City Codes and fails to enter into satisfactory arrangements with the City, the non-compliant

subcontractor will be ineligible to participate in the contract contemplated by this RFP and the selected Respondent may find it necessary to replace the non-compliant subcontractor with a compliant subcontractor. Respondents are advised to take these PEA policies into consideration when entering into their contractual relationships with proposed subcontractors.

If a Respondent or a proposed subcontractor is not currently in compliance with the City's tax and regulatory codes, please contact the Revenue Department to make arrangements to come into compliance at 215-686-6600 or revenue@phila.gov.

Respondents need not have a City of Philadelphia Business Income and Receipts Tax Account Number (formerly Business Privilege Tax Account Number) and Commercial Activity License Number (formerly Business Privilege License Number) to respond to this RFP, but will, in most circumstances, be required to obtain one or both if selected for award of the contract contemplated by the RFP.² Applications for a Business Income and Receipts Tax Account Number or a Commercial Activity License³ may be made on line by visiting the City of Philadelphia Business Services Portal at <http://business.phila.gov/Pages/Home.aspx> and clicking on "Register Now." If you have specific questions, call the Department of Revenue at 215-686-6600 for questions related to City of Philadelphia Business Income and Receipts Tax Account Number or the Department of Licenses and Inspections at 215-686-2490 for questions related to the Commercial Activity License.

² Respondents that have a Business Privilege Tax Number should use that number, as it is automatically their Commercial Activity License Number, and need not apply for a new Commercial Activity License Number. Similarly, Respondents with a Business Privilege Tax Account Number should use that number as their Business Income and Receipts Tax Account Number.

³ Commercial Activity Licenses are not typically required for non-profit organizations; however, Business Income and Receipts Tax Account Numbers typically are required.

Appendix A - Philadelphia Energy Authority Standard Terms and Conditions

Independent Contractor. Provider acknowledges that Provider is an independent contractor and that Provider is not an employee of the Philadelphia Energy Authority (“PEA”). Provider also acknowledges that Provider is not entitled to participate in any employee benefit plan or receive any benefits of the PEA normally accorded to employees, shall not receive coverage under any Workman’s Compensation Statute, and shall be solely responsible for securing and maintaining any necessary insurance or licenses.

Non-Exclusivity. Provider is under no obligation to work exclusively for the PEA, and may accept engagements, work, and assignments from parties other than the PEA on a regular basis. The PEA and the Provider agree and acknowledge that the Provider’s services are separate and distinct from the services and business operations of the PEA, and that the business operations of the Provider shall not, at any time, be integrated into the business operations of the PEA.

No Agency. Provider is authorized to represent himself or herself as an independent contractor of the PEA, but shall have no authority to and shall not represent that he or she has authority to bind the PEA in any manner.

Standard of Performance. Provider shall enter upon the performance of this Agreement with all due diligence and dispatch: shall press to its complete performance in a manner consistent with a degree of professional skill and competence pursuant its professional standards. All of the services requires hereunder of Provider shall be performed to the satisfaction and approval of the PEA.

Confidentiality. Provider agrees to keep confidential for the benefit of the PEA any and all of their trade secrets or confidential or proprietary information, knowledge or data disclosed to him/her or obtained by him/her during the term of this Agreement and will not thereafter disclose any such trade secrets, information, knowledge or data to any other person, firm or corporation.

Assignment/Successors. This Agreement is personal to Provider and is not assignable by him/her. It may, however, be assignable by the PEA. The PEA’s rights hereunder shall be enjoyed by any successor in interest to the PEA. In the event of Provider’s breach of this Agreement, the PEA shall have no further obligations hereunder other than to pay him/her or his/her estate any fees or expenses that are payable hereunder which are accrued and unpaid to the date of either his/her death, disability or termination.

Compliance with Laws. All services rendered and documents prepared by Provider shall strictly conform to all applicable laws, statutes and ordinances (including, but not limited to, the Fair Practices Ordinance, Philadelphia Code Chapter 9-1100), and the applicable rules, regulations, methods and procedures of all governmental boards, bureaus, offices, commissions, quasi-government agencies, the PEA and its board, and other agencies.

Work Product. Work product prepared by Provider in the performance of this Agreement shall be the absolute property of the PEA.

Subcontracting. Provider shall not subcontract any work hereunder without prior written approval by the PEA.

Change Orders. Any material additions, revisions or adjustments to the Services, including cost, period for provision of the Services or delivery dates, will be effected only pursuant to a written order signed by an authorized representative of both parties. If the PEA initiates a change order request, Provider will promptly respond to such request in writing. If Provider initiates a change order request, the PEA failure to affirmatively accept the request within a reasonable period of time shall be deemed a rejection.

Conflicts with Provider's Proposal. In the event of conflict of variance between this Agreement and the proposal of Provider, this Agreement shall govern.

Indemnification. Provider agrees to unconditionally indemnify and hold harmless the PEA, the City, its affiliates, and its respective agents, employees, offices, directors, and owners, from and against all liabilities, costs, expenses, claims, disputes, damages, lawsuits, losses, or assessments (including attorney's fees) suffered or incurred in connection with any claim asserted by any party (regardless of the form of or forum in which such claim may be asserted) whether based upon the Provider's negligent or willful act or omission, or that of anyone employed, retained, or utilized by the Provider, or whether based upon events or activities of the Provider during the rendering or performance of, or attempts to render or perform, the services of the Provider for the PEA in accordance with this Agreement.

Termination. The PEA reserves the right to terminate this Agreement at any time at its sole discretion by giving Provider thirty (30) days notice, however, Provider shall be entitled to reimbursement for any services rendered prior to the date of termination.

Force Majeure. Notwithstanding any provision of this Agreement, neither party shall have any responsibility or liability for any failure, error, malfunction, or delay resulting from events due to any cause beyond its reasonable control, including, but not limited to sabotage, fire, flood, explosion, acts of God, civil commotion, strikes, stoppages or labor or industrial action of any kind, riots, insurrections, war or acts of government power or equipment failure (including that of any common carrier, or transmission line), emergency condition or cause. The PEA shall not be liable for any failure to perform any of its obligations under this Agreement if such performance would result in it being in breach of any law, regulation, requirement or provision of any government or government agency in accordance with which it is required to act, as it shall determine.

Where a force majeure event has occurred that prevents to any extent a party in the performance of its obligations under this Agreement or under any Schedule, the performing party that is unable to perform shall be excused from further performance or observance of the obligations(s) so affected for as long as such circumstances prevail and such party continues to use its best efforts to recommence performance or observance as soon as possible and to whatever extent possible without delay.

Nondiscrimination. This Agreement is entered into in concert with the terms of the Philadelphia

Home Rule Charter and in its performance. Provider shall not discriminate nor permit discrimination against any person because of race, color, religion, gender identity or expression, national origin or sex. In the event of such discrimination, the PEA may terminate this Agreement forthwith.

Limitation of Liability. To the fullest extent permitted by applicable law or regulations, Provider's liability to the PEA and the City for any claim or cause of action arising out of or related to this Agreement, including breach of warranty, breach of contract, negligence, and other torts arising out of or relating to this Agreement and the Schedules, shall not exceed the amounts paid or payable by Provider for such project.

Chapter 17-400 of the Philadelphia Code. In accordance with Chapter 17-400 of the Philadelphia Code, Provider agrees that its payment or reimbursement of membership fees or other expenses associated with participation by its employees in an exclusionary private organization, insofar as such participation confers an employment advantage or constitutes or results in discrimination with regard to hiring tenure of employment, promotion, terms privileges or condition of employment, on the basis of race, color, sex, sexual orientation, religion, national origin or ancestry, constitutes a substantial breach of this Agreement entitling the PEA to all rights and remedies provided in this Agreement or otherwise available in Law or equity.

Provider agrees to include the immediately preceding paragraph; with appropriate adjustments for the identity of the parties, in all subcontracts which are entered into for work to be performed pursuant to this Agreement.

Provider further agrees to cooperate with the Commission on Human Relations of the City of Philadelphia in any manner which the said Commission deems reasonable and necessary for the Commission to carry out its responsibilities under Chapter 17-400 of The Philadelphia Code. Failure to so cooperate shall constitute a substantial breach of this Agreement entitling the PEA to all rights and remedies provided herein or otherwise available in Law or equity.

General. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and will be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania. No modifications, amendments or waiver of any provision thereof shall be effective unless made in writing and signed by the parties. In case any provision of this Agreement shall be held ineffective or unenforceable, the remaining provisions shall remain unaffected.

Appendix B: PEASolicitation For Participation and Commitment Form

SOLICITATION FOR PARTICIPATION AND COMMITMENT FORM									
Minority (MBE), Woman (WBE), Disabled (DBE) Business Enterprises									
Bid Number or Proposal Title:			Name of Bidder/Proposer:				Bid/RFP Opening Date:		
Residential Water and Sewer Line Service Protection Program							5-Apr-18		
List below ALL M/W/DBEs that were solicited regardless of whether a commitment resulted therefrom. - Photocopy this form as necessary.									
<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> DBE		Work or Supply Effort to be Performed		Date Solicited		Commitment Made		Give Reason(s) If No Commitment	
Company Name				By Phone	By Mail	Yes (If Yes, give date)	NO		
Address									
Contact Person									
Telephone Number				Quote Received		Amount Committed To			
Fax Number				YES ¹	NO	Percent of Total Bid/RFP			
Email Address									
OEO REGISTRY #	CERTIFYING AGENCY				%				
<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> DBE		Work or Supply Effort to be Performed		Date Solicited		Commitment Made		Give Reason(s) If No Commitment	
Company Name				By Phone	By Mail	Yes (If Yes, give date)	NO		
Address									
Contact Person									
Telephone Number				Quote Received		Amount Committed To			
Fax Number				YES ¹	NO	Percent of Total Bid/RFP			
Email Address									
OEO REGISTRY #	CERTIFYING AGENCY				%				
<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> DBE		Work or Supply Effort to be Performed		Date Solicited		Commitment Made		Give Reason(s) If No Commitment	
Company Name				By Phone	By Mail	Yes (If Yes, give date)	NO		
Address									
Contact Person									
Telephone Number				Quote Received		Amount Committed To			
Fax Number				YES ¹	NO	Percent of Total Bid/RFP			
Email Address									
OEO REGISTRY #	CERTIFYING AGENCY				%				

1. Attach all quotations to this form

Appendix C - City of Philadelphia Tax Status and Clearance Statement

For Respondents

THIS IS A CONFIDENTIAL TAX DOCUMENT

NOT FOR PUBLIC DISCLOSURE

This form must be completed and returned with Respondent's proposal in order for Respondent to be eligible for award of a contract with the City. Failure to return this form will disqualify Respondent's proposal from further consideration by the Contracting Department. The City of Philadelphia, acting through its Department of Revenue and the Department of Licenses and Inspections, will utilize the information contained in the completed form to review the tax and Philadelphia Code compliance records of the person and/or entity identified below as part of the proposal evaluation process and will report their findings to the Contracting Department and the City's authorized investigatory agents. By signing the certification statement below as Respondent or an authorized representative of Respondent, you represent that Respondent is current and in compliance with, has made or intends to make satisfactory arrangements with the City to come into compliance with the tax and regulatory provisions of The Philadelphia Code.

Respondent Name	
Contact Name and Title	
Street Address	
City, State, Zip Code	
Phone Number	
Federal Employers Identification Number or Social Security Number:	
Philadelphia Business Tax Account Number (if none, state "none")	
Business Privilege License Number (if none, state "none")	

I certify that the Respondent named above has all required licenses and permits and is current or has made satisfactory arrangements with the City to become current with respect to the payment of City taxes or other indebtedness owed to the City (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), and is not in violation, or has made satisfactory arrangements to cure any violation, of other regulatory provisions applicable to Respondent contained in The Philadelphia Code.

Signature

Date

Print Name and Title

Appendix D - Local Business Entity or Local Impact Certification

Instructions: Respondents who seek as a positive factor in PEA's consideration of their application that they meet the Local Business Entity or Local Impact criteria as provided in should complete this Certification and return it with their application. Respondents providing this Certification should also include in a separate section of their application labeled "Local Business Entity or Local Impact Certification," a statement that the Respondent believes it has met the Local Business Entity or Local Impact criteria "as set forth in the attached Local Business Entity or Local Impact Certification." Check all appropriate certification options that are applicable to Respondent and sign below:

Respondent Name: _____

Local Business Entity Certification

___ I certify that the Respondent named above is a Local Business Entity because Respondent complies with the following criteria set forth in Section 17-109(3)(b) of the Philadelphia Code:

I. During the preceding 12 months, Respondent has filed a Commercial Activity or Business Privilege tax return with the City establishing that Respondent conducted business within the City within the calendar year preceding the filing of the return; and

II. During the preceding 18 months, Respondent:

A. Has continuously maintained a valid Commercial Activity or Business Privilege License and all other licenses and permits necessary to conduct business with the City;

B. Has continuously occupied an office within the City, where business is conducted; and

C. Satisfies at least one of the following requirements (*Check those applicable to Respondent*):

___ (1) More than half of Respondent's full-time employees work in the City at least 60% of the time;

___ (2) More than 50 of Respondent's full-time employees work in the City at least 60% of the time; or

___ (3) Respondent's principal place of business is located in the City.

Local Impact Certification

___ I certify that in the performance of a contract resulting from this RFP, the Respondent named above will employ City residents.

Authorized Signature

Date

Print Name and Title