

Purchasing and Professional Services Guidelines Metropolitan Water District of Southern California

The Metropolitan Water District of Southern California (MWD) employs nearly 2000 workers in 6 Southern California counties. Their work requires nearly every commodity and service imaginable—including yours!

This guide will give you all the information you need to effectively do business with Metropolitan.

It answers your questions including:

- How do I register as a Metropolitan vendor/consultant?
- How do I submit a proposal or bid?
- How can my small business compete?
- What are Metropolitan's delivery and payment terms?
- What are the rules that govern Metropolitan's procurement and contracting.

We look forward to doing business with you.

Metropolitan Water District (MWD) procures goods, non-professional services, and professional services in accordance with Metropolitan's Administrative Code and applicable government statutes and regulations.

Methods of Procurement

Metropolitan's procurement is conducted in accordance with the Metropolitan Administrative Code. The methods of procurement consist of competitive bidding, competitive proposals, requests for qualifications, and direct purchases.

- Competitive bidding is primarily used for procurements for goods and non-professional services.
- Competitive proposals are used for professional and technical services where technical approach and other factors are considered in making an award.
- Requests for qualifications are used where the scope of work is broadly defined. This method is used for either making an award to the most qualified provider or for pre-qualifying potential respondents for a subsequent competitive solicitation.
- Direct purchase is authorized where conditions are met that allow exemption from competitive procurement.

Where more than one method of procurement is available, a method will be selected to promote an open, public procurement that avoids favoritism and provides the most value to Metropolitan.

Cooperative and Piggyback Contracts

Piggyback purchases are purchases made under the terms and conditions of another public agency's contract when that contract includes a provision that extends its pricing, terms, and conditions to other public agencies.

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- A. The Contracting Services Manager, with the approval of the Chief Operating Officer and the General Counsel, may enter into a cooperative purchasing agreement to acquire materials and services under the contracts of other public entities, and may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of materials and services with one or more public entities.
- B. When a requisition or a consultant services request whose projected contract amount is \$25,000 or more is submitted, Contracting Services may determine that there is another public agency contract that can be used to make the acquisition. Consideration for use of another public agency's contract includes:
 - 1. The cost of the goods or services provided on the contract
 - 2. The quality and specifications of the goods and services provided on the contract
 - 3. The terms and conditions of the public agency's contract
 - 4. The circumstances surrounding the acquisition such as the time and cost involved in processing a Metropolitan solicitation

Before entering into a cooperative agreement under which another public entity undertakes procurement, the Contracting Services Manager verifies that the public entity has conducted procurement through competitive procedures and that use of the cooperative agreement under consideration is economically advantageous to Metropolitan. General Counsel verifies that the competitive procedures substantially meet the requirements of Metropolitan for competitive bidding.

Vendor Registration

Consultants and vendors that would like to receive solicitation notices from Metropolitan must register via our website www.mwdh2o.com under "Doing Business." Consultants and vendors are encouraged to review Metropolitan's website announcements regularly for contracting opportunities.

By registering with Metropolitan, small businesses and local firms can qualify for special consideration in accordance with Metropolitan's Business Outreach Program.

- A. Small businesses and local businesses receive preference for purposes of bid evaluation only as follows:
 - 1. Small business enterprises will have their bids reduced by an amount equal to 5% of the lowest non-SBE bid.
 - 2. Local businesses, as defined by businesses operating within the MWD service area, will have their bids reduced by an amount equal to 5% of the lowest, non-SBE bid.

A small business enterprise that is also local will be entitled to have its bid reduced by 10% of the amount submitted to the lowest non-SBE bid.

Bid Submittal

Procurements for goods or non-professional services valued at more than \$25,000 are generally conducted by a standard sealed bid process.

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- B. Requests for bid (RFBs) specify the time and place of bid opening. The RFB shows the quantity of items required, the desired time of delivery, and the amount of any sureties required.
- C. Adequate public notice of the invitation for bids is given as required by Metropolitan policy. The RFB provides for Metropolitan's right to reject any and all proposals.
- D. The Contracting Services Manager is authorized to approve the correction or withdrawal of bids before or after bid opening and to recommend cancellation of awards or contracts based on bid mistakes as follows:
 - 1. Prior to bid opening, a bidder is permitted to withdraw its bid by written notice received by Contracting Services before the time set for bid opening. The bidder may submit a substitute bid if it is submitted prior to bid opening.
 - 2. After bid opening, a bidder will be able to withdraw its bid only where there is an obvious clerical error or where, because of new unforeseen circumstances, enforcement of the bid would impose unconscionable hardship. Withdrawal is considered only upon written request from the bidder. A bid may not be revised after bid opening. In the case of errors in the extension of prices, the unit price will govern.
- E. A bid is late if it is received at the location designated in the invitation for bids after the time and date set for bid opening. A late bid will be rejected, and will remain the property of the bidder.
- F. Once the time for submission of bids has passed, the initial results are posted on the Metropolitan website.

Proposal Submittal

Metropolitan solicits professional and consulting services through a Request for Proposal (RFP) and Request for Qualification (RFQ). Registered consultants/vendors receive e-mail notification of solicitations and addendums to solicitations.

- A. Metropolitan uses competitive proposals primarily for Professional and Technical service contracts.
- B. Proposals are solicited through an RFP.
- C. Adequate public notice of the RFP is given as required by Metropolitan policy.
- D. A pre-proposal conference may be conducted prior to submission of proposals to explain the work and proposal requirements. Attendance at a pre-proposal conference may be designated as mandatory for the submission of a bid.
- E. The RFP states the relative importance of price and other evaluation factors.
- F. As provided in the RFP and Metropolitan procurement policies, discussions may be conducted with responsible offerors to ensure full understanding of the solicitation requirements.
 - 1. Offerors are accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers.

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2. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing offerors.
- G. If, after discussion with offerors, a request for best and final offers may be issued, the request sets forth the date, time, and place for the submission of best and final offers. Best and final offers are requested only once, unless there is a written determination that it is advantageous to Metropolitan to conduct further discussions. If offerors do not submit a notice of withdrawal or a best and final offer, their immediate previous offer is construed as their best and final offer. Other factors will not be considered.
- H. The contract is awarded to the responsible and responsive offeror whose proposal is determined to be the most advantageous to Metropolitan in accordance with Metropolitan's procedures for evaluation of proposals. Metropolitan may reject all proposals if it is in the public interest.

Bid/Proposal Results

After a Respondent is selected, the award of a contract (agreement) is contingent upon the successful negotiation of terms, acceptability of fees, and formal approval by Metropolitan. Once the time for submission of bids has passed, the initial results are posted on the Metropolitan website.

Public Record

Formal inquiries into matters of public record are handled in accordance with Operating Policy B-07, Communications – Requests for Information. Informal inquiries for information or requests for documents that are public record are to be directed to L. Logan at (213) 217-6851; llogan@mwdh2o.com.

Delivery and Payment

No charge for packing or drayage will be allowed unless specified in the purchase order. Materials must be packed and shipped in conformity with tariff or classifications so as to secure lowest possible freight rates. All materials furnished under a Metropolitan agreement are subject to test and inspection, and, if rejected, are held subject to order of shipper, with accrued charges. Until delivery and acceptance, and after any rejection, risk of loss or damage to items is upon the Contractor.

Inspection and acceptance takes place at the destination unless specified otherwise and is performed by Metropolitan personnel shown in the shipping address or another duly authorized representative of Metropolitan. Metropolitan has no obligation to accept damaged shipments, over-shipments, goods shipped in error, or other non-conformity, and reserves the right to return at the Contractor's expense non-conforming items even though the non-conformity was not discovered until after receipt.

Payment Terms

Invoices shall be submitted to Metropolitan's Accounts Payable Section.
Accounts Payable
Metropolitan Water District

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P.O. Box 54153
Los Angeles, CA 90054

A vendor's or consultant's change of mailing address must be submitted in writing to Metropolitan. Without proper notification of an address change, invoice payment may be delayed.

Unless a specific term discount is offered, Metropolitan makes payment within 30 calendar days after receipt of invoice. Where the Contractor offers a payment discount, Metropolitan takes this into consideration when making payment. Metropolitan may, at its option, verify the correctness of the invoice.

Insurance Requirements

The Contractor is required to maintain insurance adequate to protect him from claims under Worker's Compensation Acts and from claims for damages for personal injury, including death, and damage to property, which may arise from operations under the contract. If specified or requested, the Contractor is to file with Metropolitan certificates of such insurance. Failure to furnish such evidence, if required, may be considered default by the Contractor.

Additional liability insurance may be required if the contract work is to be performed on Metropolitan property. The RFB or RFP provides details.

Debriefing Procedures

- A. Metropolitan notifies offerors when their submittals have been eliminated from competition. The notice briefly provides the basis for the determination.
- B. Offerors thus excluded from competition may request a debriefing. The debriefing request shall be in writing and received by Contracting Services no later than 10 working days after notification by Contracting Services to the unsuccessful offeror.
- C. If an offeror fails to submit a timely request, it may forfeit its right to a debriefing.
- D. The debriefing by Metropolitan will occur as soon as practicable after receipt of the request.
- E. The debriefing may be done orally, in writing, or by any method agreeable to Metropolitan and the offeror.
- F. All meetings are attended by a representative from Contracting Services and the requestor or his or her designee. In a case where a small business enterprise is being briefed, a representative from Metropolitan's Business Outreach Program may also attend.
- G. The debriefing includes:
 - 1. Metropolitan's evaluation of significant elements of the offeror's submittal
 - 2. A summary of the rationale for eliminating the offeror's submittal

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3. Responses to relevant questions about the solicitation process, applicable laws and regulations, and any reason that the submittal may have been considered non-responsive or the offeror not qualified.
- H. The debriefing will not disclose:
1. The number of offerors
 2. The identities of other offerors
 3. The content of any other submittal
 4. The ranking of offerors
 5. The evaluation of other offerors
 6. Names of evaluators associated with their scores
- I. A record of the debriefing will be included in the contract file.
- J. An offeror who has been debriefed may request additional post-award information. This information will be provided if requested within 10 working days after award of the contract. This additional information will include:
1. The overall ranking of all offerors
 2. A summary review of the rationale for award, including an explanation of significant weaknesses and deficiencies in the offeror's submittal
 3. A review of other submittals excluding information that is confidential, proprietary, or secret. No copyright, trade secret, or personal information be revealed.
- K. A post-award debriefing will not disclose any information that ties a particular evaluator to particular ratings.

Nothing in this procedure shall preclude Business Outreach from having a more detailed post-award briefing with a small business enterprise. Such a debriefing will exclude the release of copyright, trade secret, and personal information as well as the identity of evaluators associated with scoring.

Protest Procedures

Protests are handled in accordance with the procedures listed below.

- A. All communication with a protesting party is coordinated with the Contracting Services Unit Manager unless an Appeals Board designates another Metropolitan representative.
- B. Protest of Solicitation.
1. A respondent may file a protest to the Contracting Services Manager no later than four (4) working days prior to the due date of the solicitation if the respondent believes the solicitation is:
 - a) Unfairly restrictive
 - b) Contains conflicting or ambiguous provisions
 - c) Would result in a contract that would be commercially impossible to perform
 2. The protest must be made in writing (a letter, e-mail, or facsimile) and must contain the following information:
 - a) Name, address, and phone number of the protester
 - b) The title and solicitation number of the solicitation being protested

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- c) A detailed statement citing the provisions being protested including the reasons for the protest
 - 3. Late protests of solicitations will not be considered.
 - 4. The Contracting Services Manager or his or her representative will respond after an investigation of the facts citing any actions that will or will not be taken regarding the solicitation.
- C. Protest of bid awards
 - 1. Protest of bid awards must be made immediately, and in no case later than five (5) working days after the initial bid results have been posted on the MWD web site at <http://www.mwdh2o.com>. The protest must be made in writing and include the following information:
 - a) Name, address, and phone number of the protester
 - b) The title and solicitation number of the solicitation being protested
 - c) A detailed statement of the legal and/or factual grounds of the protest
 - d) A statement explaining how the firm protesting would have received the award had the situation not occurred
 - e) The form of relief requested
 - 2. Legitimate protests of awards are limited to situations where:
 - a) There has been a miscalculation by Metropolitan in determining a submitted price
 - b) There has been an identified irregularity in the evaluation process as outlined in the solicitation
 - c) The selection was not in accordance with applicable laws, the Administrative Code, or established Metropolitan procedure
- D. Protest of Requests for Proposal and Requests for Qualification
 - 1. A respondent may file a protest to the Contracting Services Manager, no later than four (4) working days prior to the due date of the solicitation in the event that the respondent believes the solicitation is:
 - a) Unfairly restrictive
 - b) Contains conflicting or ambiguous provisions
 - c) Would result in a contract that would be commercially impossible to perform.
 - 2. The protest must be made in writing (a letter, e-mail, or facsimile) and must contain the following information:
 - a) Name, address, and phone number of the protester
 - b) The title and solicitation number of the solicitation being protested
 - c) A detailed statement citing the provisions being protested, including the reason(s) for the protest.
 - 3. Late protests of solicitations will not be considered.
 - 4. The Contracting Services Manager or his or her representative will respond after an investigation of the facts citing any actions that either will or will not be taken regarding the solicitation.
- E. Protest of Awards
 - 1. Protest of contract awards must be made immediately, and in no case later than five (5) working days after the protester has been notified of

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actions affecting its status as a successful respondent. The protest must be made in writing and include the following information:

- a) Name, address, and phone number of the protester
 - b) The title and solicitation number of the solicitation being protested
 - c) A detailed statement of the legal and/or factual grounds for the protest
 - d) A statement explaining how the firm protesting would have received the award had the situation not occurred
 - e) The form of relief requested
2. Legitimate protests of awards are limited to situations where:
- a) There has been a miscalculation by MWD in determining a submitted price where price is identified as an evaluation factor
 - b) There has been an identified irregularity in the evaluation process as outlined in the solicitation
 - c) The selection was not in accordance with applicable laws, administrative code, or established Metropolitan procedure.

Protest Appeals Board

- A. A firm wishing to appeal the protest decision of the Contracting Services Manager may request a hearing of the Protest Appeals Board. The appeal must be filed no later than ten (10) working days from having received the decision of the Contracting Services Manager. The appeal must be in the form of a letter to the Chief Operating Officer stating the reasons for the appeal.
- B. Upon receipt of the letter, the Chief Operating Officer may empanel the Protest Appeals Board if he or she determines that a hearing on the protest is appropriate.
- C. The board will consist of three members consisting of a representative from the Legal Department, the Internal Auditor or a designated representative, and the Chief Operating Officer or a designated representative.
- D. If the protester fails to appear and participate in the hearing, the Protest Appeals Board may summarily rule upon the protest based upon information then available.
- E. The hearing protocol will be announced by the Protest Appeals Board and provided to the protester at least (7) calendar days prior to the scheduled appeal hearing.
- F. After the hearing, the Protest Appeals Board will render a decision in writing to the protester and the Contracting Services Manager.
- G. If the protest is sustained in whole or part, an appropriate remedy will be implemented.
- H. If the protester wishes to appeal the decision of the Protest Appeals Board, the protester must do so in writing to the Metropolitan Board of Directors within ten (10) working days of receiving the decision.

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Goods and Non-Professional Services	Professional Services
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