



TO: All Proposers Receiving Request for Proposal (RFP) #2017025, GROUNDS MAINTENANCE EQUIPMENT, PARTS, ACCESSORIES, SUPPLIES, RELATED SERVICES AND EQUIPMENT

FROM: Jess Romney, Procurement Officer JR

DATE: December 5, 2016

SUBJECT: Addendum #2 – Vendor Questions and City's Response

All Proposers are hereby notified that the proposal for **Grounds Maintenance Equipment, Parts, Accessories, Supplies, Related Services and Equipment** has been revised by this addendum.

Listed below are questions received from Vendors regarding this RFP and the responses provided by City staff.

1. **Question:** Tab 3; Instructions item 3g: Can you provide clarification on the Tier 4 EPA requirement? For those products that fall into the 25 to 74 HP off-road diesel category are you requiring the Tier 4 final engine? The equipment in this category with the Tier 4 final engines provide the most up to date emissions reductions. If that is what you are requiring can you update this section as such?

Response: Equipment offered must be Tier 4 Compliant.

2. **Question:** Scope of Work item 4 Product Requirements, A5: In the Balance of Line section we would like to include those allied products that are attachments to our products but not manufactured by us. For example; we have mowing equipment manufactured by us that converts to a snow removing machine with attachments such as snow throwers and brooms made by another company specifically for use on our machines. Our dealers would price and order these products as part of the order and ship in total to the customer. By allowing those items a customer can purchase the fully equipped machine through this contract. Is this allowable in this section?

Response: Yes, this is allowable.

3. **Question:** Scope of Work Item 9: We request that you eliminate the second paragraph of this section so that price changes are not tied to the PPI or to the contract anniversary date. For contracts that are based on a discount off MSRP, tying increases to a PPI makes the management of a price file very difficult as the PPI does not normally reflect our actual price changes. Also, the ability to change pricing when the manufacturer changes pricing is also helpful in maintaining current pricing. Deleting the second paragraph of this section would effectively cover these two requests to price adjustments.

Response: The Scope of Work Item 9 is changed as follows.

9. **PRICING:**

- a. **Prices.** All pricing shall be firm for the Term and all extensions or renewals of the Term except where otherwise provided in this Agreement, and include all costs of the Contractor providing the materials/service including transportation, insurance and warranty costs. No fuel surcharges will be accepted unless allowed in this Agreement. The City shall not be invoiced at prices higher than those stated in the Agreement.

The Contractor further agrees that any reductions in the price of the materials or services covered by this Agreement will apply to the undelivered balance. The Contractor shall promptly notify the City of such price reductions.

No price modifications will be accepted without proper request by the Contractor and response by the City's Purchasing Division.

~~b. **Price Adjustment.** Any requests for reasonable price adjustments must be submitted in accordance with this section. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. There is no guarantee the City will accept a price adjustment therefore Contractor should be prepared for the Pricing to be firm over the Term of the Agreement. The City is only willing to entertain price adjustments based on an increase to Contractor's actual expenses or other reasonable adjustment in providing the services/materials under the Agreement. If the City agrees to the adjusted price terms, the City shall issue written approval of the change.~~

~~During the 60-day period prior to Contract expiration of the Agreement, the Contractor may submit a written request to the City to allow an increase to the prices in an amount not to exceed the twelve-month change in the **Producer Price Index for Lawn and Garden Equipment Mfg. (333112333112)**, Not Seasonally Adjusted as published by the U.S. Department of Labor, Bureau of Labor Statistics (<http://www.bls.gov/ppi/home.htm>). The City shall review the request for adjustment and respond in writing; such response and approval shall not be unreasonably withheld.~~

~~c. **Renewal and Extension Pricing.** Any extension of the Agreement will be at the same pricing as the initial Term. If the Agreement is renewed in accordance with Section 1, pricing may be adjusted for amounts other than inflation that represent actual costs to the Contractor based on the mutual agreement of the parties. The Contractor may submit a request for a price adjustment along with appropriate supporting documentation demonstrating the cost to the Contractor. Renewal prices shall be firm for the term of the renewal period and may be adjusted thereafter as outlined in the previous section. There is no guarantee the City will accept a price adjustment.~~

All other terms and conditions remain unchanged. Respondents are reminded that proposals are due in the Purchasing Office no later than 3:00 p.m. local Arizona time on December 14, 2016.

Please contact Jess.Romney@MesaAZ.gov or Evan.Karl@MesaAZ.gov with any questions you may have regarding this addendum.

cc: File