Workshop 2: How to Play in the Tournament
The City of Phoenix Procurement Process
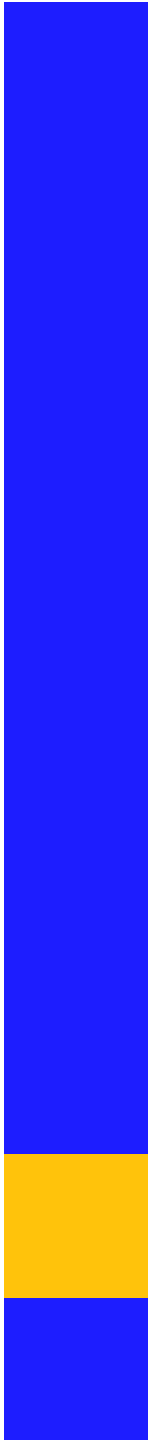
Agenda

- Types of Solicitations
- Solicitation Process
- Solicitation Differences
- Solicitation Timeline
- Award Process for Formal Solicitations
- FY 2014 Procurement Data
- Frequently Asked Questions

Types of Solicitations – Small Dollar Purchases

- Responsible Party: City Departments
- Departments have delegated authority to purchase goods and services costing **$5,000** or less
- May utilize Small and Disadvantaged Business Enterprise (S/DBE) firms whenever possible

Solicitation Process – Small Dollar Purchases

- Department will
  - identify the need and contact vendors who supply the good or service to obtain pricing
  - determine if that pricing is fair and reasonable
  - issue appropriate documentation for the purchase
- In general, the Small Dollar Purchases take less time than the Formal Solicitations (IFB or RFP) process

Types of Solicitations - Informal Purchases

- Also known as Request for Quotations (RFQ)
- Responsible Party: Central Procurement
- Informal Purchases for goods and services costing between **$5,000 and $35,000**

Solicitation Process – Informal Purchases

- A written Request for Quotations (RFQ) will be issued to vendors through the Vendor Management System (VMS)
  - Vendor Help Center Link
- Vendors are encouraged to register within the VMS for all commodities and services that they offer
- Based on the responses received, the contract will be awarded to the lowest responsive and responsible bidder, under the terms and conditions set forth in the RFQ
  - responsive – bid conforms to all respects to the initial request
  - responsible – vendor is capable of performing (includes financial and technical)
- A purchase order may be issued or a contract may be established

Other Types of Procurement

- Request for Authorization (RFA)
  - Purchases for goods and services by taking an exception to the solicitation process
    - Sole Source
    - Emergency Purchase
    - Time Restrictions
    - Impractical to Bid

Other Types of Procurement

- Request for Information (RFI)
  - A practice to obtain comments or feedback from potential vendors prior to issuing a solicitation
  - Feedback may include best practices, industry standards, technology issues, etc.
  - Can be used to develop product standards or specifications

Other Types of Procurement

- Request for Qualifications (RFQu)
  - A method to obtain statements of qualifications of potential vendors to gauge competition in the marketplace prior to issuing the solicitation
  - Can be used as selection method if experience/qualifications are the only basis for evaluation (Qualified Vendor List (QVL)

Types of Solicitations - Competitive Sealed Bids or Proposals

- Also known as Invitations for Bid (IFB) or Requests for Proposal (RFP)

- Responsible Party: Central Procurement

- Formal advertisements for goods and services **$35,000 and greater**

- Requirements will include all specifications (scope of work) and all contractual terms and conditions applicable to the procurement

Solicitation Process – Competitive Sealed Bids

- A solicitation notification will be issued to vendors through the Vendor Management System (VMS)
  - Vendor Help Center Link
- Solicitations are posted on City web page.
  - City of Phoenix Solicitations Link
- Vendors are responsible for downloading the solicitation
- Pre-bid meeting and/or site visit may occur
- Solicitation changes are posted by an addendum to the City web page
- Based on the bids received, the contract will be awarded to the lowest responsive and responsible bidder under the terms and conditions set forth in the bid
- Council authorization is needed before the issuance of a purchase order or a contract

Solicitation Process – Competitive Sealed Proposals

- Solicitation notification are issued to vendors through the Vendor Management System (VMS)
  - Vendor Help Center Link
- Solicitations are posted on City web page
  - City of Phoenix Solicitations Link
- Vendors are responsible for downloading the solicitation
- Pre-proposal meeting and/or site visit may occur
- Solicitation changes are posted by an addendum to the City web page
- Evaluation committee reviews and scores the proposals
- Interviews, discussions, or negotiations may occur
- Contracts are awarded to the highest scored proposer
- Council authorization needed prior to the purchase order or a contract

Solicitation Differences

- Competitive Sealed Bids (IFB)
  - Price is the deciding factor
  - Used when requirements are clearly defined
  - No negotiations of terms and conditions
- Competitive Sealed Proposals (RFP)
  - Price is not the only determining factor
  - Consideration is given to other factors, such as experience, past performance, and staffing
  - Used for complex specifications or scope of work
  - Utilizes a selection committee
  - Discussions and/or interviews with proposers are allowed
  - Allows for negotiations or best and final offer (BAFO)

Solicitation Timeline

Proposal Timeline

Steps	Activity
1	Advertise Competitive Sealed Proposal
2	Pre-Proposal Conference and/or Site Visit
3	Written inquiries due
4	Addendum(s) issued if needed
5	Proposals Due
6	Committee Members receive the proposals and instructions
7	Committee Members review and finalize scores
8	Department approval
9	Route award recommendation for Council approval
10	Council approval
11	Contract begins

Bid Timeline

| Steps	Activity
1	Advertise Competitive Sealed Bid
2	Pre-Bid Conference and/or Site Visit
3	Written inquiries due
4	Addendum(s) issued if needed
5	Bids Due
6	Procurement evaluates submittals
7	Department approval
8	Route award recommendation for Council approval
9	Council approval
10	Contract begins

Award Process for Formal Solicitations

- Before Council Approval:
  - Vendor submits all required certificates of insurance and bonds
  - A request for council action is routed for internal approvals
  - The award is approved at a formal public meeting
- After Council Approval:
  - The award is recorded with the City Clerk
  - Notification is sent to the awarded vendor
  - Vendor has a contract

Contract Signed

Central Procurement Data - Fiscal Year 2014

Estimated Count of Formal Solicitations
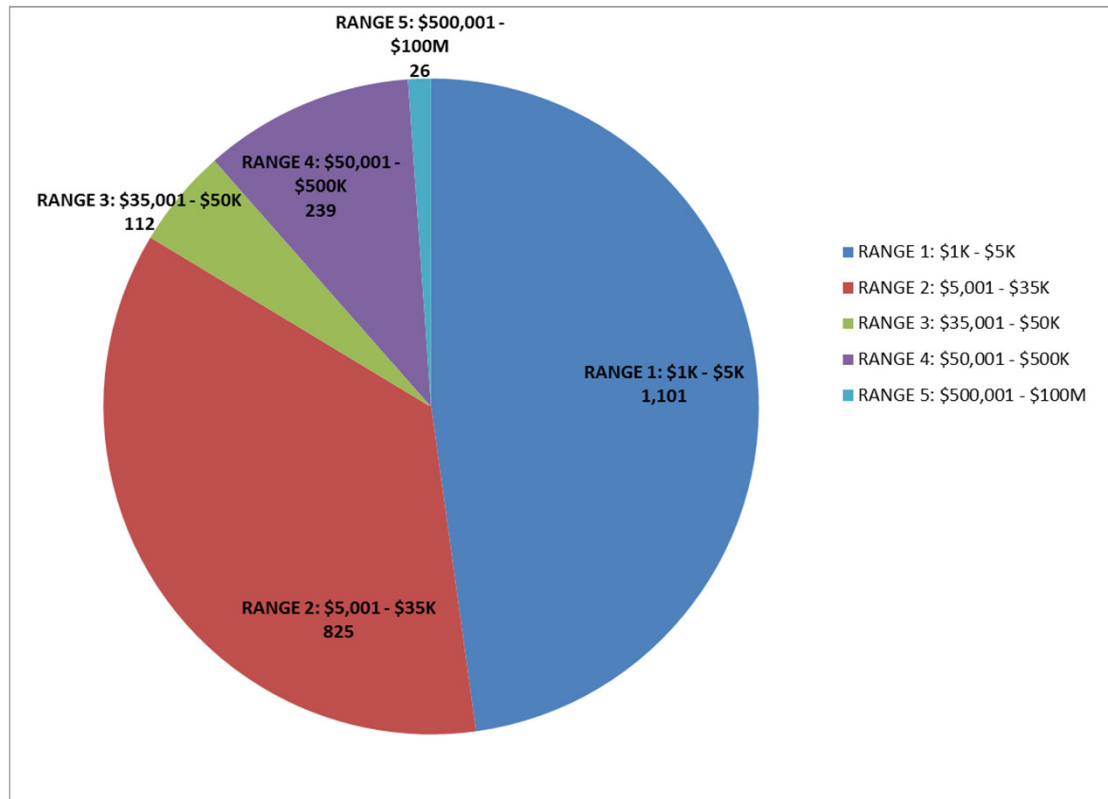
CoOp, 5

RFP, 25

RFA, 70

IFB, 163

- IFB
- RFA
- RFP
- CoOp
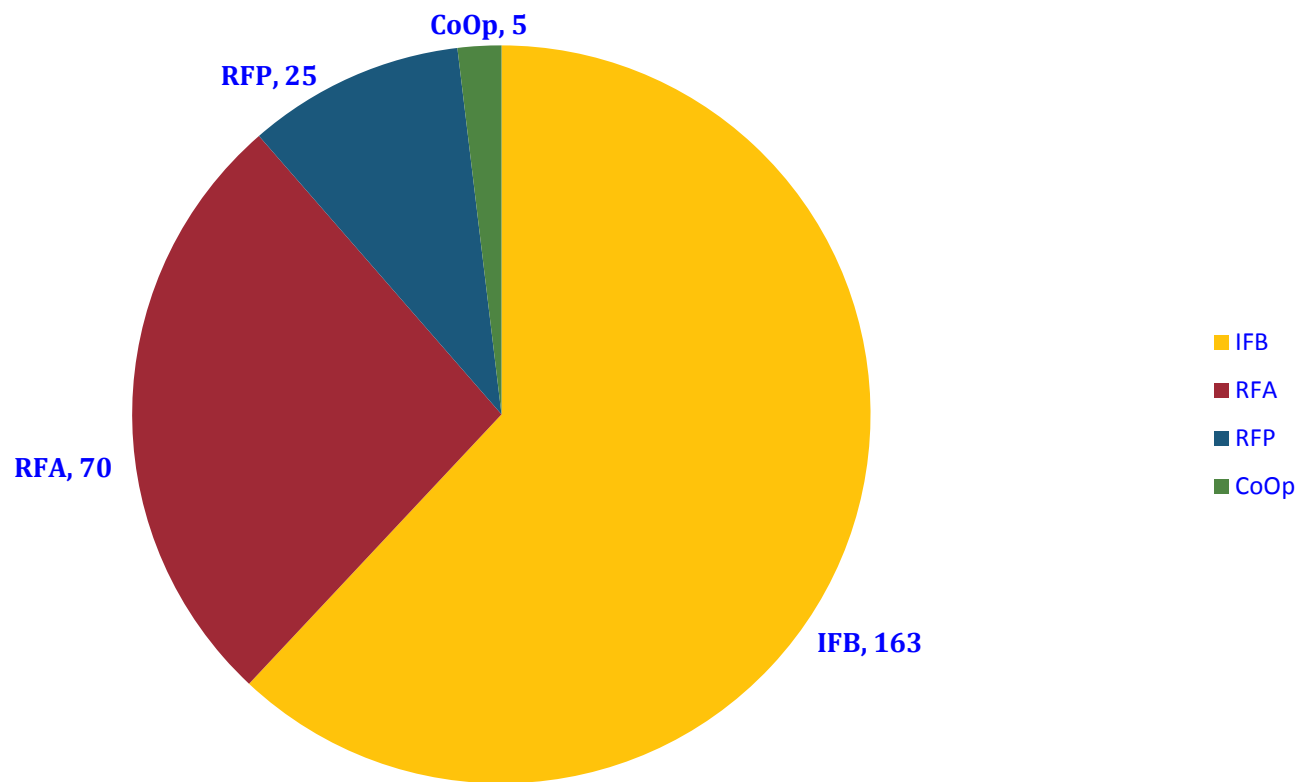
Central Procurement Data - Fiscal Year 2014

Estimated Total of Purchase Orders (POs)

	Total $ Value	Total Purchase Orders
RANGE 1: $1K - $5K	$ 2,751,024.46	1,101
RANGE 2: $5,001 - $35K	$ 11,368,067.44	825
RANGE 3: $35,001 - $50K	$ 4,678,666.16	112
RANGE 4: $50,001 - $500K	$ 33,671,066.17	239
RANGE 5: $500,001 - $100M	$ 37,863,161.29	26
GRAND TOTAL:	$ 90,331,985.52	2,303

Frequently Asked Questions

- How do I get work from the City?
  - Visit the specific Department's web page to learn more about their functions, needs, and business practices. Check out City of Phoenix Solicitations Link
- Where can I get the current contract prices?
  - Visit the Public Records Link and search for the current vendor name or the contract name
- How do I submit an effective offer?
  - Attend Workshop #3 Improving Your Winning Percentage – Submitting Effective Offers
- What happens after I am awarded a contract?
  - Attend Workshop #10 Game Winning Plays – You have a Contract, Now What?

Questions and Comments

NOTE: Evaluation of workshops/event are available online at:

https://www.phoenix.gov/businessexperience

Contact Information

Barbara C. Hummell, CPPO

Procurement Division

Finance Department

City of Phoenix

602-262-7181

barbara.hummell@phoenix.gov

Janet E. Lee, CSCP

Procurement Division

Finance Department

City of Phoenix

602-262-7181

janet.lee@phoenix.gov