

# PROCUREMENT SOLICITATION DOCUMENT



## The Interlocal Purchasing System (TIPS)

A Cooperative Purchasing Program available for membership by Government and Other Entities in all fifty states.

*Lead Agency*



**Region 8 Education Service Center**

**4845 US Hwy. 271 North, Pittsburg, Texas 75686 - Toll-free (866) 839-8477**

**www.tips-usa.com**

**E-mail: electricityrfp@tips-usa.com**

## NOTICE TO PROPOSERS

**DEADLINE DATE FOR ALL PROPOSALS TO BE RECEIVED ELECTRONICALLY  
or otherwise is:**

**July 21, 2017 at 3:00 P.M. Local Time**

**The solicitation documents may be found at <https://tips.ionwave.net>**

If a problem is encountered accessing the solicitation, please contact TIPS at the address or phone listed above for help.

**This solicitation is a Request for Proposals (RFP) as permitted in the Texas Education Code § 44.031 for the category:**

## **RFP 170603 Retail Electric Power**

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NOTICE: The use of the terms Solicitation, Bid, Request for Proposals, RFP, Request for Competitive Sealed Proposals, RCSP, or other specific terms may not be accurate in legal terminology and should be construed to mean the method of competitive procurement listed above with the legal citation of the source of the procurement method. Example: "This Solicitation is a Request for Proposals as permitted in the Texas Education Code Section 44.031".

# Summary of RFP Instructions

Below is summary of the important RFP deadlines and submittal instructions. More detailed information is provided in the following pages of this RFP:

1. Responses are due Friday July 21, 2017 by 3:00 pm central time.
2. Questions regarding this RFP will be accepted until Noon on July 14, 2017.
3. All responses must be uploaded into ION Wave, an online system used by TIPS to collect and organize proposals.
4. All Proposers must download and review the Vendor Agreement from ION Wave.
  - a. If Proposer accepts the terms and conditions as defined in the Vendor Agreement, you must submit a statement with your response stating you have no deviations or suggested changes to the Vendor Agreement.
  - b. If Proposer would like to suggest language changes to the Vendor Agreement, Proposer must upload a redlined version of the Vendor Agreement with their proposal into ION Wave. If no redlined version of the Vendor Agreement is submitted to TIPS, TIPS will assume Proposer has accepted all terms and conditions of the Vendor Agreement and TIPS will not entertain suggested language changes at a later date.
5. Proposer must answer all questions contained in the PROPOSAL SCORING, EVALUATION AND RESPONDENT QUESTIONS Section of this RFP and upload to ION Wave e-bid system
6. Proposer must complete all forms and certifications that are provided as a part of this RFP. All certification forms must be downloaded from ION Wave.
7. Proposer must answer all attributes contained in ION Wave.

## Definition:

**The proposer responding to this RFP may be referred to as, proposer, responder, respondent, vendor, company, firm or other similar moniker.**

# About TIPS

## **About TIPS**

The Interlocal Purchasing System, better known as the TIPS Purchasing Cooperative, provides resources and support to approximately 1,500 public entities within the State of Texas. The many benefits TIPS provides its members include:

- Provide government entities opportunities for greater efficiency and economy in acquiring goods and services through competitively procured vendor agreements.
- Provide comprehensive purchasing practices according to the Laws of the State of Texas and Federal Regulation 2 CFR part 200, when appropriate, and is designed to result in competitive agreements that meet a wide variety of needs.
- Provide competitively priced purchasing options for multiple government entities that yields economic benefits usually unobtainable by the individual entity.
- Provide quick and efficient delivery of goods and services by entering into pricing agreements with “high performance” vendors.
- Equalized purchasing power for smaller entities.
- Maintain credibility and confidence in business procedures by maintaining free, full and open competition for purchases and by complying with purchasing laws and ethical business practices.
- Provide document retention for competitive procurement process for all TIPS Awarded Agreements.

## **Customer Service**

- TIPS staff is available to members for assistance in viewing/contacting awarded vendors for categories to make purchases and agreement decisions.
- TIPS provides a way for government entities to avoid the time and expense of seeking competition for purchases on an agency-by-agency basis.
- TIPS enables vendors to become more efficient and competitive by reducing the number of proposals that require responses to be made to individual entities.

# Description of Services Being Requested

## **Description of Services Being Requested**

The purpose of this RFP is to solicit proposals for retail electric service and to select one or multiple Retail Electric Providers (REPs) to serve as preferred REPs to TIPS members. The awarded respondent(s) will enter into a Vendor Agreement with TIPS which contain the general terms and conditions that will govern the preferred REP program. A copy of this Vendor Agreement has been provided as a part of this RFP. Any actual sales of electricity between the awarded respondent(s) and a TIPS member will be governed by the awarded respondent(s) retail electricity power agreement subject to negotiation as described later in this RFP and in the Vendor Agreement.

The Vendor Agreement, once awarded, will enable TIPS members to purchase electricity on an “as needed” basis from vendors who have been competitively selected through this RFP without conducting another RFP. The Vendor Agreement being awarded under this solicitation will be available for use by all schools, colleges, universities, cities, counties and other governmental entities that are or may become members of TIPS and are located within ERCOT’s deregulated electricity footprint.

The awarded vendor(s) will be able to market their preferred REP status directly to TIPS Members. TIPS Members will be able to leverage the TIPS interlocal purchasing agreement and solicit pricing proposals from the awarded vendor(s) without issuing a formal RFP.

- TIPS reserves the right to award multiple vendors for this solicitation.
- This proposal is requested for the benefit of the current list of members and other new members as they execute TIPS membership Agreements in the future. Member List can be accessed through this link: <http://www.tips-usa.com/assets/documents/docs/membership.pdf>
- TIPS reserves the right to extend the proposal deadline for any reason.
- TIPS reserves the right to make changes to this Solicitation by way of one or more posted addenda.
- TIPS reserves the right to make no award under this RFP should TIPS believe it is in the best interest of its members.

## **Sales of Electricity to TIPS Members**

- The Vendor Agreement(s) awarded as a result of this RFP will be established through free, full and open competition as described by the laws of the State of Texas and, once awarded, will be available for “piggy-back” by other government entities anywhere in ERCOT, subject to each entities’ jurisdictional law and regulation.
- Any actual purchase of electricity will be effectuated through the execution of retail electricity contract between a TIPS Member and an awarded respondent.

- The awarded respondent(s) will be required to provide a transaction confirmation to TIPS for each retail power contract entered into with a TIPS member documenting the contract details such as start date, end date, anticipated annual kWh usage, etc. This transaction confirmation is described in detail in the Vendor Agreement.

#### **Notice of Confidentiality of Proposed Information**

The proposal submitted and all information therein is available to TIPS members. Also, according to the Texas Public Information Act, any documents or information held by TIPS “may” be public information. In the documents for the Proposer to complete is a declaration form entitled “*CONFIDENTIAL INFORMATION SUBMITTED IN RESPONSE TO COMPETITIVE PROCUREMENT REQUESTS OF EDUCATION SERVICE CENTER REGION 8 AND TIPS IS GOVERNED BY TEXAS GOVERNMENT CODE, CHAPTER 552*” that must be completed by the Proposer that designates specified pages as confidential or waives confidentiality of the entire proposal.

## **General Information**

#### **TIPS Vendor Participation Fee**

The total cost of the TIPS program, in most cases, is primarily funded through an administration fee paid to TIPS by the awarded vendors. In this case, the fee will be a \$/kWh fee to be included in the contract price between the awarded vendor(s) and the TIPS member who is contracting for electricity service. The awarded vendor(s) will collect the fee from any TIPS member who has purchased electricity service from vendor through its normal invoicing process and remit the fee to TIPS. The fee will be the applicable \$/kWh fee defined below multiplied against the actual kWh of electricity consumed by the TIPS member.

<b>Fee (\$/MWh)</b>	<b>Usage Tier (MWhs)</b>
\$0.50	1 – 20,000
\$0.25	20,001 – 40,000
\$0.05	40,000 and above

Prior to delivering an offer to a TIPS Member for electric service, the awarded vendor(s) will calculate a single, weighted \$/MWh fee to be included in the electricity contract price using the above the tiered pricing matrix. This fee will be the TIPS participation fee. The weighted fee will be based on the customer’s historical actual usage adjusted for any known changes to future consumption. Once calculated, the fee will be added to the vendor’s electricity price that is presented to the TIPS Member. **The TIPS fee will not be separately listed in vendor’s proposal to the TIPS Member.**

The single, weighted TIPS fee that is included in the vendor’s retail electricity price will not be subject to a true-up based on actual usage.

For the avoidance of doubt, below is sample calculation of a single weighted fee using a hypothetical customer.

Customer annual usage: 45,000 MWh		
Tier 1 fee:	\$10,000	(\$0.5 * 20,000 MWh)
Tier 2 fee:	\$5,000	(\$0.25 * 20,000 MWh)
Tier 3 fee:	\$250	(\$0.05 * 5,000)
Weighted Fee:	\$0.34/MWh	(\$15,250/45,000 MWh)

### **Term of Vendor Agreement and Renewals**

The initial term of the Vendor Agreement is for a three (3) year term with two (2), one (1) year extension options. TIPS reserves the right to offer and execute one two (2) year extension rather than two one (1) year extensions if agreeable to the parties. Any extension of the initial term will be agreed to in writing between TIPS and Vendor. Nothing herein shall require either party to agree to an extension of the initial term.

TIPS reserves the right to terminate the Vendor Agreement for any reason prior to the end of the initial term or extension term with thirty (30) days written notice. However, if the Vendor Agreement is terminated prior to the end date of the initial term or the end date of an agreed to extension term, any retail electricity supply contract entered into between a vendor and a TIPS Member shall survive and will not be terminated. Upon termination of the Vendor Agreement between TIPS and a vendor, the Vendor Agreement shall survive only insofar as to govern all surviving retail electricity supply contracts between a vendor and TIPS Member's that were entered into pursuant to the Vendor Agreement. Termination for convenience is required under 2 CFR part 200.

### **Vendor Questions – Questions will be accepted until July 14, 2017 at noon local time**

Questions about this specific solicitation shall be submitted to [electricityrfp@tips-usa.com](mailto:electricityrfp@tips-usa.com) with the following in the subject line: "RFP 170603 Retail Electric Power Questions". Questions of a ministerial nature will be answered without an addendum, but questions of a substantive nature that are not addressed in the solicitation or deemed relevant to the process by TIPS will be addressed by properly posted addendum.

All questions will be answered within five(5) TIPS business days of receipt and will be posted as an addendum to this RFP. Once the deadline for all questions has been reached and answers to all questions have been posted, TIPS will accept additional questions as needed to clarify any answers provided to previously submitted questions. These additional clarifications will be posted as an addendum to this RFP. TIPS reserves the right to extend the deadline to provide adequate time for the RFP process. Vendor may request additional time but it is solely the discretion of TIPS management whether or not the additional time will be granted to all Proposers.

### **Anticipated Schedule of Award**

Posting Date	June 15, 2017 (Thursday)
Proposal Deadline	July 21, 2017 (Friday) at 3:00 PM Local Time
Proposal Opening	July 21, 2017 (Friday) at 3:00 PM Local Time
Proposals Reviewed	Beginning July 21, 2017 until completed
Proposals Award	When evaluation and contract negotiation is completed and agreed by the parties.

## **PROPOSAL SCORING, EVALUATION AND RESPONDENT QUESTIONS**

A qualified evaluation committee will evaluate and score all proposals. Recommendations for award will be made to the Region 8 Education Service Center Board of Directors. Awards will be granted or denied at the monthly stated meeting of the Region 8 ESC Board of Directors. TIPS will base a recommendation for award on several factors mandated by the Texas Education Code section 44.031. The factors which will be considered and the associated point weightings for each evaluation criteria are defined below. The total points to be allocated across all evaluation criteria is 100. TIPS shall identify the awarded respondent(s) based on which respondent(s) have the highest cumulative scores and agreement on contract terms. TIPS reserves the right to assign any number of point awards it considers warranted based on the evaluation of each question or if an offeror stipulates exceptions, exclusions, or limitations of liabilities. TIPS shall reserve the right to reject any or all proposals. TIPS reserves the right to determine the number of awarded vendors at its sole discretion.

The following evaluation criteria are mandated for consideration by Texas Education Code § 44.031 (b).

1. **Purchase Price: (15) points.** In order to comply with State law, price must be a consideration within this RFP. TIPS understands that the best and final offered price for retail electric service will be determined at the time a retail power contract is entered into between a TIPS member and the awarded respondent(s). However, in order to comply with State law, TIPS is requesting the following:

- A) **Not-to-Exceed Price: (1) Point**

- Provide a price which will serve as the maximum price in \$/MWh that you will charge a TIPS Member for electricity service during the term of the Vendor Agreement. The not-to-exceed price should be for a fully shaped, load following

fixed price of electricity inclusive of all retail cost components, including TIPS fees, but not including HUB to Load Zone congestion, TDSP charges and applicable taxes.

The awarded respondent(s) understand that during the term of the Vendor Agreement no TIPS Member may be charged a price higher than this not-to-exceed price.

**B) Not-to-Exceed Retail Service Fee: (14) Points**

Please provide a not to exceed retail service fee in \$/MWh that will serve as the maximum fee your company will charge any TIPS Member who purchases electricity from your company. The retail service fee should represent the fee you would charge a customer who is purchasing power on a complete pass through contract, meaning the service fee contains no commodity related cost components, but instead represents only your company's fee for providing retail service. The retail service fee should include operational costs (customer service, billing, etc.), credit costs, working capital costs, SG&A costs, and profit for your company as well as any other non-commodity related costs.

TIPS recognizes that the retail service fee your company ultimately charges a TIPS Member will be based on the attributes of a specific customer. However, the not to exceed retail service fee will ensure all TIPS Members, who purchase electricity from an awarded vendor, that price has been adequately considered in this RFP.

TIPS will require the awarded vendor(s) to include a statement in the retail power contract that a TIPS Member executes representing that the contract price and retail service fee are at or below the stipulated not-to-exceed price and not-to-exceed retail service fee.

**2. The reputation of the vendor and of the vendor's goods or services: (15) points.**

- a. References. Please use the References Attachment Excel sheet in the e-Bid system and upload the completed form in the Response attachments section of the e-Bid system. Please provide at least five (5) references from public institutions that you currently serve. Please include institution name, address, contact person, phone number and email address. Please also provide the annual kWh usage for each reference and associated meter count.

Please use the format below when providing references:

Entity Name:

Customer Contact Name:

Customer Contact Phone Number:

Customer Contact Email Address:

Annual kWh usage:



Years served by your company:

- b. TDSP Liaison Services. Supply details as to how your company will provide liaison services between a TIPS member and the applicable TDSP for activities including:
- New service connections, disconnections and consolidations/aggregations
  - New construction and temporary electricity supply requirements
  - Advocacy services on behalf of TIPS member when conflicts or disputes arise with TDSPs
- c. Financial Information. Please provide information regarding the financial ability of your company to perform the obligations requested in this RFP. This should include:
- Credit rating of the legal entity that will be the counterparty for electric service. If the legal entity that will be supplying electric power is not publicly rated, please provide the credit rating of the parent company if applicable.
  - If no credit rating is available, please provide information substantial enough to evaluate the financial integrity of your organization. Most current year audited financial statements are preferred.
  - Provide a statement of any active lawsuit, arbitration, or mediation your company is currently involved with.

**3. The quality of the vendor's goods or services; (35) point weight.**

- a. Sample Contract. Please provide all standard contract documents your company would require a TIPS member to execute if your company was selected to provide electric service. Because different TIPS members may choose to purchase different electricity products, please provide, in addition to your company's base agreement, confirmations/product exhibits/addendas for the following product structures:
- Fixed price (load following) with HUB to load zone congestion passed through
  - Gas index (load following) with HUB to load zone congestion passed through
  - Block and Index HUB to load zone congestion passed through on the block volumes
  - 100% Index (RTSPP) for all volumes

All documents should be provided in editable Microsoft Word documents.

**TIPS intends to negotiate a set of contract documents with the awarded respondent(s). It is required that the awarded respondent(s) will use the respective negotiated agreements when contracting with any TIPS Member for electric service who is purchasing electricity through the TIPS preferred REP program as provided for in the Vendor Agreement. However, TIPS Members reserve the right to negotiate modifications that reflect their particular needs.**

b. Billing and Payment.

- Please provide any statistics your company tracks regarding accuracy and timeliness of invoice generation.
- Does your company offer summary billing? If yes, please provide a sample summary invoice.
- Does your organization accommodate emailed invoices?
- Does your organization accept electronic payment? If so, please describe the form and type of electronic payment.

4. **The total long-term cost to TIPS and its members to acquire the vendor's goods or services; (0) point weight.** The response to question 1 above will be used to satisfy this question.

5. **Extent to which the Goods or Services meet the Needs of TIPS members: (35) point weight.**

a. company Overview. Please provide an overview of your organization and include answers to the following:

- How long has your company been providing electric service in ERCOT?
- How many unique non-residential customers does your company serve in ERCOT?
- What is your current total non-residential annual kilowatt hour volume served by your company in ERCOT?
- How many employees work within your organization?
- Provide the address of each office maintained in ERCOT.
- How many public-sector customers do you currently serve in ERCOT? Please categorize by county, city, school district, college/university or other governmental entities.

b. Customer Care. Please provide details as to expected service standards that your company will provide. Specifically address the following:

- How does your company propose to provide customer service support to TIPS members who contract for electricity service? (i.e. Will there be one commercial point of contact that will work with all TIPS members or will each TIPS member have their own unique point of contact.)
- In addition to the above, does your company have a customer care team/call center to assist with general business questions? If so, please provide a brief description of the team including hours of operation, number of call center personnel and average time before an inbound call is answered.

- Provide details of the level of authority that your customer contact personnel have to resolve customer issues.
  - Will your company make electricity consumption data available online or via e-mail in Excel format? Please provide samples of any standard reports available to customers that relate to monthly usage and spend data.
- c. Additional Value Added Offers. Please provide any additional value-added service offerings you believe would benefit the TIPS membership.

6. **Vendor's Past Relationship: (0) points.** –No past relationships exist therefore this criterion will have a 0 weighting.

7. **Impact on the Ability of the District to Comply with Laws and Rules Relating to Historically Underutilized Businesses: (0) points.**

There are no Texas laws that apply to this procurement but since federal funds are anticipated to be utilized during the life of this contract, the Proposer should agree to abide by the federal regulations in the forms contained in this solicitation document related to underutilized businesses in its subcontracting practices. This factor has been considered and due to the foregoing, no points will be assigned. NOTE: Failure to agree to comply with the federal regulations in the forms herein shall make use of federal funds to purchase the goods or services proposed unallowable.

8. **Residency: (0) points.** For a contract for goods and services, ***other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials***, whether the vendor or the vendor's ultimate parent company or majority owner:  
(A) has its principal place of business in this state; or  
(B) employs at least 500 persons in this state; and

Federal funds may be utilized by ESC Region 8 or TIPS member entities during the life of this contract, and residency is a prohibited criterion under federal regulation, it has been considered and assigned a weight of 0 points.

**TIPS reserves the right to award this contract to multiple vendors. All awards will be subject to the successful negotiation of respondent's terms and conditions and Vendor Agreement.**

# Proposal Instructions

1. All respondents shall submit electronic proposals through the TIPS online procurement software, ION Wave by uploading their respective proposals/documentation.
2. **As part of the RFP response, TIPS is asking that each respondent review and provide redline comments back (in an editable Microsoft Word document) of the Vendor Agreement that will govern the preferred REP relationship with TIPS. The Vendor Agreement has been provided as an attachment to this RFP.**
3. Proposals may be amended by the Proposer on the electronic site at any time prior to the due date and time. ION wave permits you to withdraw and resubmit your proposal.
4. If an addendum is posted, you will be notified via email and you are required to login to the ION Wave bidding software and address the addendum. No addendum will be issued within five calendar days of the opening unless it is to extend the opening or address a non-substantive issue. Legal holidays not counted as calendar days are New Year's Day, Martin Luther King Day, Easter, Memorial Day, July 4<sup>th</sup>, Labor Day, Thanksgiving, Christmas.
5. TIPS reserves the right to reject any or all proposals and to accept any proposal(s) deemed advantageous to the TIPS members and to waive any informality in the proposal process.
6. Withdrawal of proposals will not be allowed for a period of 90 days following the opening of each RFP response unless approved by TIPS.
7. Addenda, if required, will be issued by TIPS by email to the Proposer's designated contact to all those vendors known to have reviewed the solicitation documents through our electronic bidding software, ION Wave.

## **PROPOSAL FORMAT - PROPOSERS PAY CLOSE ATTENTION TO DETAILS LISTED.**

TIPS reserves the right to waive any informality and/or reject any or all proposals.

### **Submission of Proposals**

All proposals must be uploaded into the ION Wave proposal platform. Bidders must answer all questions contained in the PROPOSAL SCORING, EVALUATION AND RESPONDENT QUESTIONS Section of this RFP. Vendor may also upload any material they believe will be beneficial for TIPS to evaluate vendor's qualifications and capabilities. All responses should be direct, concise, complete, and unambiguous.

### **Vendor Agreement**

Vendor Agreement must be downloaded from the "Attachments" section of this RFP and reviewed. If the Proposer has deviations or suggested changes to the Vendor Agreement language, Proposer SHALL upload a redlined version of the Vendor Agreement with your RFP response in editable Microsoft Word format to the "Response Attachments" Vendor

Agreement section in ION Wave. **IF YOUR COMPANY AGREES TO THE TERMS AND CONDITIONS OF THE VENDOR AGREEMENT AS WRITTEN, PLEASE SUBMIT A STATEMENT WITH YOUR RFP AFFIRMING YOU AGREE TO THE TERMS AND CONDITIONS OF THE VENDOR AGREEMENT. IF YOUR COMPANY DOES NOT SUBMIT A REDLINED VERSION OF THE VENDOR AGREEMENT WITH YOUR PROPOSAL, TIPS SHALL INTERPRET THE FAILURE OF THE PROPOSER TO SUBMIT THE REDLINED VERSION OF THE VENDOR AGREEMENT THAT THE PROPOSER AGREES TO THE TERMS AND CONDITIONS AS WRITTEN AND SHALL NOT ENTERTAIN FUTURE CHANGES TO THE VENDOR AGREEMENT.**

### **Vendor Certification Forms**

Vendor is required to complete certain vendor certification forms. These are required by either State/Federal law or by TIPS. All vendor certification forms can be found within ION Wave and named Required Forms in the attachments section of ION wave for download by the Proposer.

### **Protest Procedure**

If a contractor/Proposer (contractor) desires to protest a process or decision by TIPS, the contractor must follow the following process:

[http://www.tips-usa.com/assets/documents/docs/letters/Protest\\_Procedures\\_for\\_Vendor.pdf](http://www.tips-usa.com/assets/documents/docs/letters/Protest_Procedures_for_Vendor.pdf)

### **Supplementary Information (If applicable)**

Any supplementary Information provided by the respondent should be scanned and uploaded to the "Response Attachments" SUPPLEMENTARY section. Each File is limited to 100 MB.

You may upload additional information to the section entitled "Other Response Attachments" in the e-Bid Ion Wave system within the "Response Attachments" section. Each File is limited to 100 MB.

## **Terms and Conditions**

1. **Exclusivity-** The awarded Proposers(s) will be the exclusive provider(s) of the services described in this RFP during the term of the agreement. However, TIPS reserves the right to terminate this agreement as discussed in the Term of Agreement and Renewals section of this RFP.
2. **Confidentiality of Proposal** - If you believe part of your proposal is confidential and not subject to sunshine laws such as the Public Information Act, there is a form to complete to make such a declaration. Read it carefully.
3. **Non-Responsive Proposals:** All proposals will be reviewed for responsiveness to the material requirements of the solicitation. A proposal that is not materially responsive shall not be eligible for further consideration for award of the agreement.

4. **Deviations and Exceptions:** Deviations or exceptions stipulated as non-negotiable in the response by the Proposer may result in disqualification if they are not acceptable to TIPS.
5. **Estimated Quantities:** Because TIPS cannot accurately anticipate which members will utilize the awarded agreements, **TIPS makes no guarantee or commitment of any kind concerning quantities or usage of agreements resulting from this solicitation.** This information, if provided, is provided solely as an aid to vendors in preparing proposals only.
6. **Conditions of Agreement** - The terms and conditions of this solicitation shall be governed by the Vendor Agreement. TIPS understands the terms and conditions of any retail power contract entered into between the awarded respondent(s) and a TIPS member for the purchase and sale of electricity will not be the subject of the terms and conditions listed in this RFP, but instead will be governed by the negotiated retail electricity supply agreement developed as a part of this RFP.
7. **Evaluation** – TIPS will evaluate the best value by rating the proposals submitted by the vendors. The point score received will be the weighted score which will be used to determine awarded vendors. See Evaluation criteria sheet with applicable point weights in this document.
8. **LIMITATION OF LIABILITY – Waiver:** BY SUBMITTING A PROPOSAL, OFFERER EXPRESSLY AGREES TO WAIVE ANY CLAIM IT HAS OR MAY HAVE AGAINST BOTH THE INTERLOCAL PURCHASING SYSTEM REGION 8 EDUCATION SERVICE CENTER, ITS DIRECTORS, OFFICERS, ITS TRUSTEES, OR AGENTS ARISING OUT OF OR IN CONNECTION WITH (1) THE ADMINISTRATION, EVALUATION, RECOMMENDATION OF ANY PROPOSAL; (2) ANY REQUIREMENTS UNDER THE SOLICITATION, PROPOSAL PACKAGE, OR RELATED DOCUMENTS; (3) THE REJECTION OF ANY PROPOSAL OR ANY PART OF ANY PROPOSAL; AND/OR (4) THE AWARD OF AN AGREEMENT, IF ANY. NEITHER REGION 8 ESC NOR TIPS SHALL BE RESPONSIBLE OR LIABLE FOR ANY COSTS INCURRED BY PROPOSERS OR THE SELECTED CONTRACTOR IN CONNECTION WITH RESPONDING TO THE SOLICITATION, PREPARING FOR ORAL PRESENTATIONS, PREPARING AND SUBMITTING A PROPOSAL, ENTERING OR NEGOTIATING THE TERMS OF AN AGREEMENT, OR ANY OTHER EXPENSES INCURRED BY A PROPOSER. THE PROPOSER OR SELECTED CONTRACTOR IS WHOLLY RESPONSIBLE FOR ANY SUCH COSTS AND EXPENSES AND SHALL NOT BE REIMBURSED IN ANY MANNER BY REGION 8 ESC OR TIPS.
9. **RESERVATION OF RIGHTS** - TIPS expressly reserves the right to:
  - a) Reject or cancel any or all proposals;
  - b) Waive any defect, irregularity or informality in any proposal or solicitation procedure provided the waiver is equally applied to all Offerors and an Offeror is not prejudiced by the waiver as compared to other Offerors;

- c) Waive as an informality, minor deviations from specifications for goods or services at a lower price than other proposals meeting all aspects of the specifications if it is determined that total cost is lower and the overall function is not impaired;
- d) Reissue a solicitation;
- e) Consider and accept an alternate proposal as provided herein when most advantageous to TIPS and its members;
- f) TIPS reserves the right to terminate the Vendor Agreement for any reason prior to the end of the initial term or extension term with thirty (30) days written notice. However, if the Vendor Agreement is terminated prior to the end date of the initial term or the end date of an agreed to extension term, any retail electricity supply contract entered into between a vendor and a TIPS Member shall survive and will not be terminated. Upon termination of the Vendor Agreement between TIPS and a vendor, the Vendor Agreement shall survive only insofar as to govern all surviving retail electricity supply contracts between a vendor and TIPS Member's that were entered into pursuant to the Vendor Agreement. Termination for convenience is required under 2 CFR part 200.
- g) This is not an exclusive award and no guaranteed volumes of purchases are guaranteed. TIPS and its members reserves the right to procure any items or services by other means at the sole discretion of TIPS or its members.



## TIPS – The Interlocal Purchasing System

Region 8 Education Service Center  
4845 US Hwy 271 North | Pittsburg, Texas 75686  
1-866-839-8477 | [www.tips-usa.com](http://www.tips-usa.com)

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### Addendum #1 to RFP 170602 Consulting and Other Related Services *Addendum issued July 7, 2017*

Vendor Q & A

TIPS responses in RED

1. Is this a new contract or renewal of an existing contract?  
a. This is a new category title.
2. If this is a renewal of an existing contract, is the current list of contracted companies and/or the current contracted rates available?  
a. No
3. Do you have a target or preferred number of companies you plan to select for inclusion in this TIPS contract?  
a. No, any company meeting the minimum score required of 80 points will be awarded.
4. May pre-qualified companies use subcontractors not identified in their HSP form or add subcontractors to this list after execution of the contract? If so, what prior approval or vetting process is required?  
a. It depends. The awarded company may use subcontractors, but the awarded company will be the responsible party and all purchase orders must go to the awarded company. Because this is a consulting services contract, it is different that a goods contract where a company might have resellers of their goods. How you choose to fulfill the necessary requirements of a purchase of consulting services is your business.
5. If we are not proposing any products, do we need to submit the Goods Pricing Template?  
a. Yes, just put not applicable
6. For the Services Pricing, is it acceptable to provide hourly rates by labor category (e.g., Senior Consultant, Project Manager, etc.) or would you prefer composite rates by service type (e.g., Strategic Technology Planning, Business Process Re-engineering, etc.)?  
a. You may propose any of those or both but you will be held to the proposed prices. Also, if you have a built-in increase for years 2 and 3, include the increases you will apply. The RFP also provides for an increase in subsequent contract years to be adjusted by the CPI formula if that is the proposer's desire.
7. Page 8 of the RFP shows Purchase Price weighted at 32 points. Since the range of proposed consulting services may be broad, how will pricing be evaluated to account for a potentially wide range of rates based on the varying services?  
a. Pricing is evaluated based on reasonableness, comparison to other similar proposals and applicability to the specifications.