

Questions and Answers

Security Doors, Frames, Hardware, and Install Services

RFB Specification No. **PS24-0171N**

All interested parties had the opportunity to submit questions in writing by email to Anela Olson by December 2, 2024. The answers to the questions received are provided below and posted to the City's website at www.TacomaPurchasing.org: Navigate to Current Contracting
Opportunities / Services Solicitations, and then click Questions and Answers for this Specification. This information IS NOT considered an addendum. Respondents should consider this information when submitting their proposals.

Question 1: Section 01010, Subsection 1.8 Coordination and Execution calls out that Tacoma Power technicians will be on site to perform all connections of the electrified locking hardware. The proposal form asks for rates for a low voltage technician as well. What is the expectation for the vendor compared to Tacoma Power, in terms of who is responsible for what scope of work?

Specifically, DH Pace does not have any licensed low voltage electricians on staff. Can we still bid on this project, and exclude that section? If not, and we are able to provide an electrical subcontractor, can we provide rates for subcontracted low voltage electrical work?

Answer 1:

Tacoma Power technicians will be on-site to perform all final connections of the electrified locking hardware. The vendor's primary responsibility is to supply, install, and coordinate the components up to the point where Tacoma Power technicians complete the connections. The proposal form requests rates for a low-voltage technician to account for any intermediate low-voltage work, troubleshooting, or coordination within the vendor's scope. If DH Pace does not have licensed low-voltage electricians on staff, you may still bid on the project. However, excluding that section entirely may render your bid non-responsive, as the inclusion of rates is a requirement. Yes, you may propose an alternative solution, such as engaging a qualified subcontractor. If you choose to involve a subcontractor, you can include rates for subcontracted low-voltage electrical work in your proposal. Be sure to explicitly state that these rates reflect

the costs associated with the subcontractor. This ensures transparency and

Question 2: Section 01025 – Measurement and Payment – Bid Item 15 – Furnish Miscellaneous Product at Cost Plus

compliance with the bid requirements.

We often find with cost-plus contracts, the customer/end user ends up spending much more than they would with a discount off of list structure. DH Pace is a dealer/distributor for all the major door, frame, and hardware manufacturers in the industry. Our factory-direct pricing is significantly better than many of our competitors. For hardware manufacturers with published list pricing, can we provide a discount structure similar to what

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is in the bid form, for products with set manufacturer list pricing? We can provide MSRP price pages to ensure pricing is fair and accurate. The discount off list structure incentivizes the vendor to pursue the best pricing structure possible with the manufacturers, because the purchase price is a set dollar amount. If DH Pace is going to maximize our profits, we are encouraged to leverage bulk purchase discounts, factory-direct pricing, and inventory purchases to keep shipping costs low. With a cost-plus structure, the vendor is actually incentivized to find the most expensive supplier for those products, to make the percentage mark-up as expensive as possible to increase the total cash profit. If I purchase a part for \$100 and mark it up 15%, I profit \$15.00. If I find that same part through Grainger or another third-party sell for \$250 and mark it up 15%, I profit \$37.50 for the same part.

Answer 2:

Yes, it is allowed to propose a discount off list structure for products with established manufacturer list pricing, as an alternative to the cost-plus structure outlined in the bid documents. To ensure transparency and fairness. You must provide manufacturer MSRP price pages or equivalent documentation to verify the list pricing and validate the discount offered. This ensures the pricing structure remains consistent and fair. When submitting your bid, clearly outline the discount off list structure you are proposing, including the applicable products and the methodology for ensuring competitive pricing.

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