

**REQUEST FOR PROPOSAL  
RFP # 2011-005-580**

**Integrated Utility Enterprise Resource Planning  
(ERP) System**

ISSUED DATE: June 21, 2011

PROPOSAL DUE DATE AND TIME: Prior to 3:00 PM., August 11, 2011  
(Eastern Time)

RFP NUMBER: 2011-005-580

PRE-PROPOSAL CONFERENCE: July 7, 2011, 10:00AM  
Board Room  
Loudoun Water  
44865 Loudoun Water Way  
Ashburn, VA 20147

ACCEPTANCE/DELIVERY ADDRESS: Loudoun Water  
Procurement Division  
44865 Loudoun Water Way  
PO Box 4000  
Ashburn, Virginia 20147

Requests for information related to this Proposal should be directed to:

Sheila Farmer  
Manager of Procurement and Risk  
(571) 291-7951  
(571) 223-2513 (Fax)  
E-mail address: [sfarmer@loudounwater.org](mailto:sfarmer@loudounwater.org)

This document can be downloaded from our website: [www.loudounwater.org](http://www.loudounwater.org)

IF YOU NEED ANY REASONABLE ACCOMMODATION FOR ANY TYPE OF DISABILITY IN ORDER TO PARTICIPATE IN THIS  
PROCUREMENT, PLEASE CONTACT THIS DIVISION AS SOON AS POSSIBLE.

AN EQUAL OPPORTUNITY EMPLOYER



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Prepared By: Sheila Farmer  
Manager of Purchasing and Risk

Date: 6/21/11

## 1. PROJECT INTRODUCTION

### 1.1. PURPOSE and SCHEDULE

The intent of this Request for Proposal (RFP) is to obtain proposals from qualified firms for software and implementation services for an enterprise resource planning (ERP) system to be provided in accordance with terms, conditions and specifications established herein. This ERP system will support the majority of Loudoun Water's business activities by replacing, augmenting, or integrating with Loudoun Water's existing business applications. Business functionality is specified in the Loudoun Water Business Functions listed in Section 1.6 below.

#### **Schedule of Events (Tentative)**

<b>Phase</b>	<b>Event</b>	<b>Date</b>
Pre-Submission	Pre-Proposal Conference	July 7, 2011
	Deadline for Questions	July 21, 2011
	Proposals Due	August 11, 2011
Phase I – Review of Written Proposals	Proposal Evaluation	August, 2011
Phase II – Demonstrations, References	Functional demonstrations and interviews	August and September, 2011
	Site visits for elevated Offerors	September and October, 2011
Phase III – BAFO, Discovery, Contract Negotiations	Discovery sessions with elevated Offerors	September and October, 2011
	Contract Negotiations	October, 2011

### 1.2. COMPETITION INTENDED

It is Loudoun Water's intent that this Request for Proposal (RFP) permits competition. It shall be the offeror's responsibility to advise the Purchasing Manager, in writing, if any language, requirement, specification, etc., or any combination thereof, inadvertently restricts or limits the requirements stated in this RFP to a single source. Such notification must be received by the Purchasing Manager not later than fifteen (15) days prior to the date set for acceptance of proposals.

### 1.3. MINIMUM QUALIFICATIONS

- 1.3.1. Offerors submitting proposal(s) shall have, at a minimum, the following qualifications. Failure to provide documentation of the qualifications may be cause to reject proposal as non-responsive.
- 1.3.2. Offerors may be firms which implement the project (Implementation Firm) or firms that provide the software (Software Firm). Either offeror may submit as the prime offeror but all proposals must provide a complete integrated system solution as described in this RFP. It is Loudoun Water's intent to make an award to a single contracting entity for all software and implementation services in relation to this RFP.
- 1.3.3. The offeror shall provide documentation (per Attachment 5) showing that the proposed software is successfully installed in a minimum of four (4) water utilities comparable in size and scope to Loudoun Water.
- 1.3.4. The Implementation Firm for the proposed solution(s) shall provide documentation (per Attachment 6) showing that it has a minimum of four (4) years experience in implementing the proposed solution(s) for water utilities comparable in size and scope to Loudoun Water.
- 1.3.5. The Software Firm for the proposed software solution(s) and the Implementation Firm shall not have filed for bankruptcy protection during the past four (4) years.
- 1.3.6. The Software Firm and the Implementation Firm shall provide letters stating that each is a party to the proposal and that the implementation firm is certified to implement the software.

### 1.4. ABOUT LOUDOUN WATER

- 1.4.1. The Loudoun County Sanitation Authority (doing business and hereafter referred to as "Loudoun Water") is a public body politic and corporate and an instrumentality of the Commonwealth of Virginia, organized under the Virginia Water and Waste Authorities Act, being Chapter 28, Title 15.1, Code of Virginia of 1950, as amended (the "Act"). Loudoun Water was created by action of the Board of Supervisors of Loudoun County, Virginia and was chartered by the State Corporation

Commission on May 27, 1959. As an Authority, Loudoun Water receives revenue from user fees, makes no profit, and our operations and finances are independent of the County's tax-supported services.

1.4.2. Loudoun Water has approximately 60,000 connections serving more than 185,000 people. Its service area is predominantly in eastern Loudoun County, and is composed of more than 1,700 miles of water and wastewater pipelines. Water supply is provided through wholesale agreements with the City of Fairfax and Fairfax Water. Water sources include the Potomac River and Goose Creek. Wastewater treatment is currently provided through an agreement with the District of Columbia Water and Sewer Authority and also by Loudoun Water's Broad Run Water Reclamation Facility (BRWRF). Loudoun Water also operates twelve (12) small community water and wastewater treatment plants throughout Loudoun County and provides contract operations to 24 municipal and private sector systems.

1.4.3. Loudoun Water has expanded significantly over the past decade to keep pace with a growing population. The increasing size and complexity of our business requires that Loudoun Water seek additional functionality and flexibility from our supporting business systems.

## 1.5. ABOUT THE PROJECT

1.5.1. Loudoun Water utilizes a variety of business software systems to manage business operations. These software systems broadly include functionality for customer management, billing, financial management, procurement, permitting, and maintenance management. When the current systems were acquired, the functions and features they provided and the architecture upon which they were built met Loudoun Water's business and budgetary requirements. More than 10 years have passed since most of these systems were acquired and it has become increasingly difficult to deliver on an ever increasing demand for the business functionality that a rapidly growing County population requires.

1.5.2. The current systems are from different vendors, are not integrated and do not provide the level of open architecture that is desired. Currently, system interfaces are accomplished through a combination of manual procedures using text files

and batch processes that run during business hours, in the evenings, and other non-business periods. Additionally, a large number of spreadsheets have been developed to compensate for functionality that is not supported.

- 1.5.3. In October 2010, Loudoun Water procured consulting services from ABBTECH Staffing Services to perform an audit and assessment of the current business processes and document the findings in the form of: as-is process flows of major business functions, a detailed list of concerns about those processes, and a set of goals to resolve the listed concerns. The work performed by ABBTECH Staffing Services comprises the foundation of this RFP.

## 1.6. LOUDOUN WATER BUSINESS FUNCTIONS

- 1.6.1. In January 2011 Loudoun Water procured ABBTECH Staffing Services to develop requirements for Commercial Off-the-Shelf (COTS) systems to replace Loudoun Water's current legacy systems. Over 7,000 functional requirements and over 200 report requirements were developed. The data migration process will involve over 1000 tables and there are currently more than 18 internal and external interfaces.
- 1.6.2. Loudoun Water has expended considerable resources towards developing a complete and comprehensive set of functional business requirements. Over 130 business concerns about current systems and processes were developed during the Audit and Assessment project and requirements have been created to resolve each of those concerns. Best practice requirements from multiple jurisdictions within Virginia and other states have been reviewed and where appropriate have been included. And lastly, best practice requirements from private industry have been reviewed and where appropriate have been included.
- 1.6.3. For the purposes of this RFP the offeror should consider Loudoun Water as being comprised of the following business functions:

<b>General Finance</b>	
Accounts Payable	<ul style="list-style-type: none"> <li>Provides timely and accurate payments to vendors for goods and services provided to Loudoun Water, for compliance with Loudoun Water policies and procedures, and carrying out regulatory reporting requirements.</li> </ul>
Budgeting	<ul style="list-style-type: none"> <li>Conducts timely, accurate and flexible budget planning and reporting.</li> <li>Develop financial plans and link plans to strategic and operational objectives, incorporating compliance with regulatory requirements and/or Loudoun Water policies and procedures.</li> </ul>
Financial Analysis	<ul style="list-style-type: none"> <li>Plans, monitors and reports on costs and results of set performance measures and results.</li> <li>Communicates reliable, relevant and understandable information about Loudoun Water's financial performance to complement financial statements.</li> <li>Monitors actual to budgeted and prior year results on a regular basis.</li> <li>Analyzes forward-looking information and known events and commitments that may significantly affect future performance.</li> </ul>
Fixed Assets	<ul style="list-style-type: none"> <li>Tracks and manages financial information (including depreciation) for fixed assets, including lifecycle management and transfer of A/P invoices and completed Engineering projects to fixed assets.</li> </ul>
Payroll	<ul style="list-style-type: none"> <li>Tracks, manages, and updates all aspects of employee payroll records. Includes recording of time to projects, and use of different time types and leave types according to Loudoun Water's personnel policies and using workflow approvals.</li> </ul>
<b>CIS/Billing</b>	
Customer Service	<ul style="list-style-type: none"> <li>Includes all aspects of Customer Relationship Management (CRM) for Loudoun Water utility customer accounts, including: processing move-in/move-out request, service order creation, bill inquiry, and payment management. Integrates with billing and field service functions.</li> </ul>
Utility Billing	<ul style="list-style-type: none"> <li>Manages accounts and services. Generates, tracks, and manages customer bills; including tracking of payment status. Integrates closely with customer service, accounting, land development, and field</li> </ul>

	service functions.
<b>Procurement</b>	
Purchasing	<ul style="list-style-type: none"> <li>Ensures compliance with the Code of Virginia, §2.2-4302 et seq., the Virginia Public Procurement Act (VPPA), as amended, and to effectuate the purposes of those statutes with regard to procurement of supplies, services, insurance and construction for Loudoun Water.</li> </ul>
Risk Management	<ul style="list-style-type: none"> <li>Provides oversight and protection of Loudoun Water assets through purchase of insurance, contractual transfer of risk, program and operational analysis, mitigation of incurred losses, loss prevention and related program and policy development.</li> <li>Monitors risk and loss exposures for Loudoun Water and maintains commercial insurance and/or self-insurance funding reserves as well as safety, loss prevention and claims mitigation programs to minimize the risk.</li> </ul>
<b>Plant Operations</b>	
Broad Run Water Reclamation Facility	<ul style="list-style-type: none"> <li>Operate state of the art membrane wastewater treatment facility to treat approximately 4 million gallons per day of wastewater to meet regulatory requirements.</li> <li>Issue regular reports describing regulatory compliance status.</li> <li>Conduct water and wastewater sampling.</li> <li>Conduct plant maintenance activities.</li> </ul>
Community Systems	<ul style="list-style-type: none"> <li>Operate and maintain a variety of small water and wastewater plants throughout Loudoun County.</li> <li>Conduct sampling and regulatory reporting activities.</li> </ul>
Laboratory & Water Quality	<ul style="list-style-type: none"> <li>Conduct timely and accurate water and wastewater process and compliance sampling.</li> <li>Supports and coordinates with other Loudoun Water business functions (O&amp;M, Engineering, and Plant Operations).</li> <li>Responds to customer water quality complaints.</li> <li>Creates reports for regulatory compliance.</li> </ul>
<b>Operations &amp; Maintenance</b>	
Administration	<ul style="list-style-type: none"> <li>Overall authority for operation and maintenance of Loudoun Water's water distribution and wastewater collection systems, including O&amp;M for all pipes, hydrants, manholes, valves, pumping facilities, and</li> </ul>

	<p>storage facilities.</p> <ul style="list-style-type: none"> <li>• Tracks all operations and maintenance activities against assets to ensure accurate record keeping.</li> <li>• Works closely with engineering function on construction of new assets, and with customer service and finance teams on transfer of account information for newly constructed facilities.</li> </ul>
Cross Connection /Backflow	<ul style="list-style-type: none"> <li>• Manages Loudoun Water's backflow device inspection program.</li> </ul>
Field Service	<ul style="list-style-type: none"> <li>• Responds to customer requests in the field, performs activities such as leak checks, meter installs, meter turn-offs, etc.</li> <li>• Performs drive-by meter reading.</li> </ul>
Utility Protection	<ul style="list-style-type: none"> <li>• Locates and protects Loudoun Water's underground assets from damage or intrusions from any construction being done in and around these assets.</li> </ul>
Inspections	<ul style="list-style-type: none"> <li>• Inspects new construction to ensure compliance with Loudoun Water and applicable regulatory standards.</li> </ul>
Fats, Oils & Grease	<ul style="list-style-type: none"> <li>• Manages Loudoun Water's fats oils and grease program including inspections and customer education/outreach.</li> </ul>
Fleet Maintenance	<ul style="list-style-type: none"> <li>• Operates and maintains a fleet of maintenance and service vehicles to service assets and respond to customers in the field.</li> </ul>
Utility Maintenance	<ul style="list-style-type: none"> <li>• Thru planned and unplanned activities operates and maintains the water distribution and sewer collection systems including pipelines, water booster pump stations, sewer pump stations/vaults, water storage tanks, easements, etc.</li> </ul>
Inventory	<ul style="list-style-type: none"> <li>• Tracks and manages warehouse inventory for materials and supplies used by O&amp;M functions.</li> </ul>
SCADA	<ul style="list-style-type: none"> <li>• Manages Supervisory Control and Data Acquisition (SCADA) system to facilitate operational control and monitoring of water distribution and wastewater collection systems.</li> </ul>
<b>Engineering</b>	
Land Development	<ul style="list-style-type: none"> <li>• Works with external land development firms to approve new water and wastewater facilities for construction in accordance with applicable regulatory requirements and Loudoun Water standards.</li> <li>• Issues construction permits and collects review fees</li> </ul>

	and connection fees.
Capital Programs	<ul style="list-style-type: none"> <li>Plans, designs, and oversees construction of major capital facilities (e.g., some pumping facilities, water storage facilities, etc.).</li> </ul>
<b>Human Resources</b>	
Hiring	<ul style="list-style-type: none"> <li>Conducts all hiring activities for Loudoun Water including advertising, interviewing, etc.</li> </ul>
Benefits	<ul style="list-style-type: none"> <li>Manages and administers Loudoun Water's benefits programs and compensation.</li> </ul>
Training	<ul style="list-style-type: none"> <li>Tracks and manages training programs for Loudoun Water staff, including training required for staff certification in compliance with regulatory requirements.</li> </ul>

#### 1.6.4. Loudoun Water General Information:

Number of Employees: 200  
 FY10 Total Operating Revenue: \$55.7 Million  
 Total Capital Assets: \$1.05 Billion  
 Number of Customers: Approximately 60,000

#### 1.6.5. **Functional and Technical Requirements:**

Attachment 1 – RFP Instruction Summary Table  
 Attachment 2 – RFP Submittal Checklist  
 Attachment 3 – Certifications and Signature of Offeror  
 Attachment 4 – Company Background  
 Attachment 5 – Software Reference Form  
 Attachment 6 – Implementation Services Reference Form  
 Attachment 7 – Not Used  
 Attachment 8 – Pricing  
 Attachment 9 – Price Summary by Phase  
 Attachment 10 – Maintenance and Support Summary  
 Attachment 11 – Staffing Matrix  
 Attachment 12A – Functional Requirements  
 Attachment 12B – Technical Requirements  
 Attachment 13 – Reporting Requirements  
 Attachment 14 – List of Interfaces  
 Attachment 15 – List of Anticipated Conversions  
 Attachment 16 – Application Inventory  
 Attachment 17 – Pre-Submission Question Submittal Form  
 Attachment 18 – Sample Non-Disclosure Form  
 Attachment 19 – IT Architecture Plan  
 Attachment 20 – Internet Website Accessibility

## 2. GENERAL PROJECT SCOPE

- 2.1. Loudoun Water desires an enterprise system that has the flexibility and capability to meet current and future business functions and integrates those functions into a single computing environment. Offerors should prepare their proposals based on addressing the business functions that are listed in Section 1.6. Loudoun Water reserves the right to negotiate changes (including additions and deletions) to this list of functionality as the scope of the project evolves.
- 2.2. Offerors are requested to break the implementation into the phases listed in the table below. It is expected that the implementation of many of these phases will run concurrently. It is Loudoun Water's intent to adopt industry best practices and standards wherever feasible in order to minimize the customization and configuration that is required to implement and maintain the various components of the ERP solution.

Phase	Description	Requested Completion Date
Phase 1 – Customer Information System (CIS) and Billing	<p>This phase will address Loudoun Water's Customer Information System (CIS) and Utility Billing functions. The Offerer is expected to perform Configuration Design, Data Migration, Training, Implementation, and Go-Live Support Services as part of this phase.</p> <p>Loudoun Water's CIS and Billing functions are currently managed using Tyler Technologies' MUNIS platform.</p> <p>The CIS and Billing modules will require integration with Loudoun Water's meter reading software. Our meter reading software includes Badger's ReadCenter as well as an Advanced Metering Infrastructure (AMI) solution that is scheduled for initial implementation in early 2012. Integration with Loudoun Water's third party e-billing provider (Datamatx) will also be required. Other integrations include, Aperta, which processes payments with physical checks; EDS, a credit card and ACH processing service;</p>	January 1, 2013

	and Checkfree, a home banking service for utility payments.	
Phase 2 – Finance, Procurement, Human Resources	<p>This phase will address Loudoun Water’s Finance, Procurement, and Human Resources functions. The Offerer is expected to perform Configuration Design, Data Migration, Training, Implementation, and Go-Live Support Services as part of this phase.</p> <p>Loudoun Water’s Finance, Procurement, and Human Resources functions are currently managed using Tyler Technologies’ MUNIS platform. It is expected that this phase will run concurrent with Phase 1, with a concurrent completion date goal of January 1, 2013. It has broken into a separate phase in order to add granularity to project planning and assignment of staffing resources.</p> <p>The Finance, Procurement, and Human Resources modules will need to be integrated with or replace other ancillary tools as described in the Conversions and Interfaces attachments to this RFP.</p>	January 1, 2013
Phase 3 – E-Commerce	<p>This phase will address Loudoun Water’s need to have a robust, outward-facing web portal available to our customers so that they may review and update account information, view past bills, and view consumption information. Loudoun Water does not currently have a comprehensive E-Commerce solution. The Offeror is expected to offer a turnkey solution for common customer web portal functions. The Offeror is expected to perform Configuration Design, Training, Implementation, and Go-Live Support Services as part of this phase.</p> <p>This solution will also integrate with Loudoun Water’s Advanced Metering Infrastructure (AMI) solution to display consumption information, and with Loudoun Water’s third party billing provider. Additional required components of this portal include common functions for vendor management, and for</p>	July 1, 2013

	procurement management (e.g. advertising bids, tracking responses, etc.).	
<p>Phase 4 – Mobile Work Management</p> <p>4a – Mobile Field Services</p> <p>4b – Mobile Inspections</p> <p>4c – Mobile Work Orders</p>	<p>This phase will address Loudoun Water’s need to have a robust set of mobile work management tools available for Loudoun Water’s field worker staff. This Phase is broken into three sub-phases and will support three different groups of field workers. The mobile solution must include support for a range of mobile devices including smart phones, tablets, and laptops, and must be configured in a manner that will facilitate data query and data entry by field workers. Mobile capabilities must include GPS-integrated map display and routing functions using Loudoun Water’s GIS as well as publically available base map data sources. Assignment of tasks for mobile workers must be managed through centralized dispatch functionality that is integrated with the ERP solution. The mobile solution must support store and forward technology so that disruptions to work processes in the field are minimized.</p> <p>Loudoun Water has a pilot Mobile Work Management solution that supports hydrant flushing and cross connection backflow device inspection utilizing Hansen 8 web services and a middleware architecture. This solution would need to be integrated with or replaced by the new mobile platform. Integration with Loudoun Water’s GIS is also required.</p> <p>The Offerer is expected to perform Configuration Design, Training, Implementation, and Go-Live Support Services as part of each of these sub-phases.</p> <p>4a – Mobile Field Services: This sub-phase addresses the need to have mobile capabilities for the field service technicians that respond to customer calls and complaints. These field service technicians are the field extension of customer service representative call-takers,</p>	<p>October 1, 2013 (For 4a - Mobile Field Services)</p>

	<p>and perform functions such as meter shut-offs, turn-ons, meter re-reads, and leak checks. These field service technicians typically respond to several calls per day, and require a flexible mobile worker platform to automate their field tasks and provide routing and work optimization capabilities.</p> <p>4b – Mobile Inspections: This sub-phase addresses the need to have mobile inspection tracking and data entry capability for the construction inspection field staff. These inspectors are the field extension of Loudoun Water’s Land Development and Capital Programs engineering staff. They visit multiple construction sites per day and record construction inspection results.</p> <p>4c – Mobile Work Orders: This sub-phase addresses the need to have mobile work order tracking and data entry for maintenance staff. These maintenance workers work on one or more maintenance activities per day, and their asset-based activities may include everything from hydrant flushing to manhole checks to water main break repairs.</p>	<p>July 1, 2014 (For 4b – Mobile Inspections)</p> <p>October 1, 2014 (For 4c – Mobile Work Orders)</p>
<p>Phase 5 – Permitting and Project Tracking</p>	<p>This phase will address Loudoun Water’s need to have a robust construction project tracking and permitting system. Most of Loudoun Water’s physical assets (pipes and pumping facilities) are built by developers to Loudoun Water’s specifications, and deeded to Loudoun Water upon completion. Loudoun Water collects fees and issues permits for these “land development” projects, and tracks these projects from conception to final closeout. Loudoun Water also directly finances and constructs major capital assets such as treatment plants, storage tanks, some pumping facilities, and some pipelines. These “capital projects” are similar tracked from conception to final closeout, and are in similar in nature to land development projects except that they lack fees.</p>	<p>November 1, 2013</p>

	<p>Loudoun Water currently uses Infor's Hansen 8 technology for this project tracking and permitting, in support of the Land Development and Capital Programs departments within the Engineering Division. Hansen 8 is also used by our construction inspectors to track inspections.</p> <p>The Offerer is expected to perform Configuration Design, Data Migration, Training, Implementation, and Go-Live Support Services as part of this phase.</p> <p>The Permitting and Project Tracking modules will require integration with Loudoun Water's ESRI-based GIS system, as well as integration with the CIS/Billing and Finance modules of the ERP solution, and integration with the maintenance and asset management modules of the ERP solution in the next phase.</p>	
Phase 6 – Maintenance and Asset Management	<p>This phase will address Loudoun Water's need to have a robust maintenance and asset management system that is integrated with the overall ERP solution. Loudoun Water has an active preventative and unscheduled maintenance program for all water and wastewater assets, including water and sewer mains, hydrants, valves, manholes, pumping facilities, and treatment facilities. Warehouse inventory for common maintenance items is also tracked and managed. As part of this maintenance management (CMMS) implementation, Loudoun Water wishes to adopt a more advanced Asset Management program to optimize the lifecycle value of assets from inception to rehabilitation and replacement, and integrate this Asset Management capability into our Capital Improvement Planning process. The vision of this program includes capture and management of asset information from cradle to grave, including assignment and management of asset criticality and level of service definitions.</p>	April 1, 2014

	<p>The Offerer is expected to perform Configuration Design, Data Migration, Training, Implementation, and Go-Live Support Services as part of this phase.</p> <p>Loudoun Water currently uses Infor's Hansen 8 technology for CMMS and asset management as well as inventory management. The Hansen 8 CMMS/Asset Management solution is integrated with Loudoun Water's ESRI-based GIS.</p>	
Phase 7 – Advanced Corporate Reporting	<p>This phase will address Loudoun Water's need to have a robust solution for business intelligence (BI). It is expected that many basic reports and dashboards will be developed and implemented as part of Phase 1 and Phase 2 as described above through the Offerer's standard reporting capabilities along with the reports described in the Attachments. This phase will result in the implementation of advanced dashboards that summarize and present key performance indicators and are tailored to the individual business needs of users.</p> <p>The Offerer is expected to perform Configuration Design, Training, Implementation, and Go-Live Support Services as part of this phase.</p> <p>Loudoun Water does not currently have an advanced BI solution.</p>	July 1, 2014
Phase 8 – SCADA Integration and Condition Based Monitoring (CBM)	<p>This phase will address Loudoun Water's need for integration of Loudoun Water's ICONICS-based SCADA system with the ERP solution to enable the generation of work orders based on SCADA conditions. The Offerer is expected to perform Configuration Design, Training, Implementation, and Go-Live Support Services as part of this phase.</p> <p>Loudoun Water has a mature and robust SCADA system, but does not currently have a Condition-Based Monitoring (CBM) solution.</p>	January 1, 2015

- 2.2.1. Offerors are requested to suggest changes to the scope and structure of this phasing wherever there are opportunities for improvements. These phases are reflective of the set of capabilities and the priorities that are sought by Loudoun Water through the purchase of an integrated ERP solution.
- 2.2.2. Offerors are also encouraged to implement cost savings measures wherever feasible. Such cost savings measures may include (but are not limited to) training Loudoun Water staff to self-perform portions of the implementation process, and utilizing a train-the-trainer approach.
- 2.2.3. It is Loudoun Water's intent to purchase all hardware separately from this contract. Exceptions may be made to this requirement on a case by case basis depending upon the Offerors' solution. Offerors should indicate in their proposals where such exceptions may be required, and list associated assumptions.
- 2.2.4. Hosting: Loudoun Water is considering the use of managed services. Offerors may propose on the following options:
  - 2.2.4.1. **Option 1 (Traditional approach)** - Loudoun Water may consider maintaining and hosting both the application server(s) and disaster recovery services at Loudoun Water's facilities.
  - 2.2.4.2. **Option 2** - Loudoun Water may consider disaster recovery services at the offeror's site while maintaining the application servers at Loudoun Water's facility.
  - 2.2.4.3. **Option 3** - Loudoun Water may consider hosting services, managed services and disaster recovery services at the offeror's sites.
  - 2.2.4.4. **Option 4** - Loudoun Water may also consider a temporary hosted application as part of the design and implementation phases.
- 2.2.5. Loudoun Water encourages offerors to propose one or more of the above options. Offerors should include in their proposals the methodology and pricing schedule for the option(s) proposed.

### 3. GENERAL SUBMITTAL GUIDELINES

#### 3.1. SUBMISSION OF PROPOSALS

Before submitting a proposal, read the ENTIRE solicitation including the Contract Terms and Conditions. Failure to read any part shall not relieve the Contractor of its contractual obligations. **Technical and Price proposals must be submitted at the same time in separate sealed containers.** Technical information provided shall not include price or cost data. The inclusion of price or cost data in the Technical proposal may be cause for the proposal being rejected. The Price proposal shall be submitted on the Request for Proposal pricing forms. Include other information as requested or required. The proposal container must be completely and properly identified. The face of the container shall indicate the RFP number, time and date of acceptance, the title of the RFP, and whether it is the Technical or Price proposal. Proposals must be received by the Procurement Division PRIOR to the hour specified on the acceptance date. Proposals may either be mailed or hand delivered to 44865 Loudoun Water Way, PO Box 4000, Ashburn, VA 20147. Faxed and e-mailed proposals will NOT be accepted.

#### 3.2. QUESTIONS AND INQUIRIES

Questions and inquiries, both verbal and written, will be accepted from any and all offerors. The Procurement Division is the sole point of contact for this solicitation unless otherwise instructed herein. Unauthorized contact with other Loudoun Water staff or Loudoun Water consultants regarding the RFP may result in the disqualification of the offeror. Inquiries pertaining to the Request for Proposal must give the RFP number, title, and acceptance date. Material questions will be answered in writing with an Addendum provided however, that all questions must be submitted in writing and received no later than July 20, 2011. It is the responsibility of all offerors to ensure that they have received all addendums. Addendums can be downloaded from <http://www.loudounwater.org>.

#### 3.3. PROPRIETARY INFORMATION

Trade secrets or proprietary information submitted by an offeror in connection with this solicitation shall not be subject to disclosure under the Virginia Freedom of Information Act; however, pursuant to Section 2.2-4342 of the Code of Virginia, the offeror must invoke the protections

of this section prior to or upon submission of the data or other materials, and must clearly identify the data or other materials to be protected and state the reasons why protection is necessary. Failure to abide by this procedure may result in disclosure of the offeror's information. Offerors shall not mark sections of their proposal as proprietary if they are to be part of the award of the contract and are of a "Material" nature.

#### 3.4. AUTHORITY TO TRANSACT BUSINESS IN VIRGINIA

3.4.1. Any foreign corporation, LLC, or LLP transacting business in Virginia shall secure a certificate of authority from or register with the State Corporation Commission (SCC), as required by Sections 13.1-757, 13.1-1051 or 50-73.138 of the Code of Virginia. The SCC may be reached at (804) 371-9733 or at <http://www.scc.virginia.gov/division/clk/diracc.htm>. Certain isolated transactions or sales conducted through independent Contractors may not require a certificate of authority. Bidders should consult the Code of Virginia for more information.

3.4.2. The offeror is to include a certification and signature of offeror using the form on Attachment 3 of this RFP (Attachment 3 - Certifications and Signature of offeror).

#### 3.5. LATE PROPOSALS

LATE proposals will be returned to offeror UNOPENED, if the RFP number, acceptance date and offeror's return address is shown on the container.

#### 3.6. NOTICE OF AWARD

A Decision to Award will be posted on Loudoun Water's website ([www.loudounwater.org](http://www.loudounwater.org)).

#### 3.7. VENDOR APPLICATION AND W-9 FORM REQUIRED

Each offeror shall submit a completed Vendor Application and W-9 form with their proposal. In the event of contract award, this information is required in order to issue purchase orders and payments to your firm. A copy of these forms can be downloaded from <http://www.loudounwater.org/Business-Customers-and-Partners/Become-a-Vendor/>.

### 3.8. GUIDELINES

By virtue of submitting a proposal, offerors are acknowledging understanding and acceptance of the following:

- 3.8.1. Offerors shall keep pricing and responses to the business requirements consistent in all proposals. It is the responsibility of the software firm and implementation firm to ensure that its pricing and responses are represented in the exact same manner in all proposals. Proposals with variance among the software firm's or implementation firm's submitted pricing or requirements responses may be eliminated from further consideration at the discretion of Loudoun Water.
- 3.8.2. Loudoun Water reserves the right to reject any or all proposals at the sole discretion of Loudoun Water, as unacceptable. Loudoun Water reserves the right to reconsider any proposal submitted at any phase of the procurement. It also reserves the right to meet with select offerors at any time to gather additional information. Furthermore, Loudoun Water reserves the right to add or delete functionality (i.e., modules) up until the final contract signing.
- 3.8.3. All third party software solutions proposed as part of this package are subject to the same guidelines of this RFP, unless otherwise stated.
- 3.8.4. If Loudoun Water is not satisfied with the qualifications, price, or experience of the implementation firm or any third-party solution, it reserves the right to request that the software firm provide another implementation partner or serve as the prime contractor for the implementation. All firms submitting proposals, by virtue of doing so, are recognizing that Loudoun Water retains this option.
- 3.8.5. All offerors submitting proposals agree that their proposal is valid for a minimum of one (1) year after submission to Loudoun Water. Loudoun Water reserves the right to reject as unacceptable any offer that specifies less than one (1) year of acceptance time. Upon mutual agreement between Loudoun Water and the offeror, the acceptance time for the offeror's proposal may be extended.

- 3.8.6. Proposals should be limited to no more than 75 paginated (total front and back) pages, excluding required forms and attachments included in this RFP. Proposals should not include marketing or sales literature, white papers, or other superfluous materials not directly related to the requirements of this RFP.

3.9. DETERMINATION OF RESPONSIBILITY

- 3.9.1. In addition to the minimum qualifying criteria outlined in Section 1.0 Project Introduction of this RFP and any other criteria outlined in this RFP, the offeror has the burden of demonstrating affirmatively its responsibility in connection with this solicitation. Loudoun Water reserves the right to consider an offeror non-responsible who has previously failed to perform properly or to complete, in a timely manner, contracts of a similar nature, or if investigation shows the offeror is unable to perform the requirements of the contract.
- 3.9.2. An offeror may be requested at any time by Loudoun Water to provide additional information, references and other documentation and information that relates to the determination of responsibility. Failure of an offeror to furnish requested information as or when required may constitute grounds for a finding of non-responsibility of the prospective offeror.
- 3.9.3. Loudoun Water may deny the award, renewal, or assignment of a contract to or for any offeror who is in default of payment of any money due Loudoun Water, Loudoun County, and the Commonwealth of Virginia.
- 3.9.4. The factors which may be considered in connection with a determination of responsibility include, but are not limited to:
- 3.9.4.1. The ability, capacity, organization, facilities, and skill of the offeror to perform the contract or provide the goods or services required;

- 3.9.4.2. The ability of the offeror to perform the contract or provide the services within the time specified without delay, interruption or interference;
- 3.9.4.3. The integrity, reputation, and experience of the offeror, and its key personnel;
- 3.9.4.4. The quality of performance of previous contracts or services for Loudoun Water or other entities. Past unsatisfactory performance, for any reason, is sufficient to justify a finding of non-responsibility.
- 3.9.4.5. The previous and existing compliance by the offeror with laws and ordinances relating to the contract or services;
- 3.9.4.6. The sufficiency of financial resources of the offeror to perform the contract or provide the services;
- 3.9.4.7. The certification of an appropriate accounting system, if required by the contract type;
- 3.9.4.8. The offeror's evidence of ability to furnish a performance bond may be considered evidence of responsibility; and
- 3.9.4.9. Past debarment by Loudoun Water or other entity.

### 3.10. INCURRED COSTS

Offerors submitting proposals do so entirely at their expense. There is no expressed or implied obligation by Loudoun Water to reimburse any individual or firm for any costs incurred in preparing or submitting proposals, for providing additional information when requested by Loudoun Water or for participating in any selection interviews and contract negotiations. Furthermore, at their own cost, offeror finalists will be required to complete a detailed Statement of Work that will be part of the implementation contract before the contract is signed. The offeror's proposed implementation plan will be a primary source document for

development of the contractual Statement of Work, along with Loudoun Water's requirements as described in this RFP.

3.11. RETENTION OF MATERIAL

Loudoun Water reserves the right to retain all proposals regardless of which response is selected. All proposals and accompanying documents become the property of Loudoun Water.

3.12. SOLICITATION AVAILABILITY & CONTACT WITH LOUDOUN WATER STAFF

Offerors are specifically directed NOT to contact any Loudoun Water personnel or consultants, other than specified personnel identified in this RFP, for meetings, conferences or technical discussions that are related to the RFP. Unauthorized contact with any Loudoun Water personnel may be cause for rejection of the offeror's proposal. The decision to select a proposal is solely that of Loudoun Water.

3.13. INTERPRETATIONS OR CHANGES

Should any offeror find discrepancies, omissions or ambiguities in this RFP, the offeror should immediately, request in writing an interpretation from the General Inquiry contact as identified on Attachment 1 – RFP Instructions Summary Table. All questions will be answered to the extent possible in the form of a solicitation amendment. Interpretations or changes to this RFP made in any other manner will not be binding. Amendments issued by Loudoun Water will be available on Loudoun Water's website. It is the responsibility of the offeror, prior to submitting a response to the RFP, to determine whether all solicitation addendums have been received and that their requirements are satisfied in the offeror's RFP response.

3.14. VERBAL EXPLANATIONS

Verbal explanations or instructions given by a Loudoun Water employee to an offeror in regard to this solicitation will not be binding on Loudoun Water. Any information given to an offeror in response to a request will be furnished to all offerors as an addendum to this solicitation, if Loudoun Water deems this information necessary for the preparation of proposals, or if the lack of the information would be detrimental to uninformed

offerors. Only an amendment issued by Loudoun Water's Procurement Division will be considered to be binding on Loudoun Water.

3.15. PROTESTS

Offerors may refer to Sections 2.2-4357 through 2.2-4364 of the Code of Virginia to determine their remedies concerning this competitive process.

3.16. COOPERATIVE PROCUREMENT

As authorized in Section 2.2-4304 of the Code of Virginia this procurement is being conducted on behalf of and may be used by public bodies, agencies, institutions and localities of the several states, territories of the United States, and the District of Columbia with the consent of the Contractor.

#### **4. DETAILED SUBMITTAL REQUIREMENTS**

In order to facilitate the analysis of responses to this RFP, offerors are required to prepare their proposals in accordance with the instructions outlined in this section, in Attachment 1 - RFP Instructions Summary Table, and as elsewhere provided in this RFP. Use the Submittal Checklist (Attachment 2 - RFP Submittal Checklist) to ensure that all required documents, forms, and attachments have been completed and submitted as instructed. Proposals not conforming to the instructions provided herein may be subject to disqualification.

4.1. PROPOSAL FORMAT

4.1.1. Offerors shall prepare their proposals in accordance with the instructions outlined in this section. Each offeror is required to submit its proposal in sealed packages (one for the technical proposal, and one for the price proposal). No price information should be included in the technical proposal. Proposals should be prepared as simply and economically as possible and provide a straightforward, concise description of the offeror's capabilities to satisfy the requirements of the RFP. Utmost attention should be given to accuracy, completeness, and clarity of content. All parts, pages, figures, and tables should be numbered and clearly labeled. Where offerors are required to submit electronic documents using the attachments contained herein, the documents should be returned in the same file format (Microsoft Office 2007 Word or below and Microsoft

Office 2007 Excel or below). **The proposal should be organized into the following major sections and tabbed accordingly:**

Section Title

- Title Page
- Letter of Transmittal
- Signed Addenda
- RFP Submittal Checklist
- Certifications and Signature of Offeror
- Table of Contents
- 1.0 Executive Summary
- 2.0 Scope of Services
- 3.0 Company Background
- 4.0 Financial Information
- 5.0 Proposed Application Software and Computing Environment
- 6.0 Third-Party Products/Optional Software
- 7.0 Implementation Plan
- 8.0 Staffing and Staff Resumes
- 9.0 Staff Matrix
- 10.0 Training Plan
- 11.0 Change Management Plan
- 12.0 Maintenance and Support Program
- 13.0 Client References
- 14.0 Exceptions to the RFP
- 15.0 Sample Documents
- 16.0 Responses to Functional and Technical Requirements
- 17.0 Responses to Reporting Requirements
- 18.0 Responses to Interface Requirements
- 19.0 Responses to Conversion Requirements
- 20.0 Responses to Application Inventory
- 21.0 Price Proposal (sealed separately)

4.1.2. Instructions relative to each part of the response to this RFP are defined in the remainder of this section. The following should be submitted as part of the entire submittal:

- 4.1.2.1. The Proposal shall be titled "Integrated Utility Enterprise Resource Planning (ERP) System for Loudoun Water", and submitted in the following formats:

- 4.1.2.1.1. One (1) complete, original hard copy, including ALL attachments.
  - 4.1.2.1.2. Ten (10) hard copies, including all attachments EXCEPT for attachments 12A and 12B (Functional and Technical Requirements)
  - 4.1.2.1.3. Eleven (11) copies of the complete RFP response on CD-ROM. These digital responses should include all documents and all attachments in PDF format.
  - 4.1.2.1.4. In addition, the following Attachments must also be submitted in Excel 2007 or lesser format, in addition to PDF format:
    - 4.1.2.1.4.1. Attachment 8 – Pricing
    - 4.1.2.1.4.2. Attachment 9 – Price Summary by Phase
    - 4.1.2.1.4.3. Attachment 11 – Staffing Matrix
    - 4.1.2.1.4.4. Attachment 12A – Functional Requirements
    - 4.1.2.1.4.5. Attachment 12B – Technical Requirements
    - 4.1.2.1.4.6. Attachment 13 – Reporting Requirements
    - 4.1.2.1.4.7. Attachment 14 – List of Interfaces
    - 4.1.2.1.4.8. Attachment 15 – List of Anticipated Conversions
    - 4.1.2.1.4.9. Attachment 16 – Application Inventory
  - 4.1.3. Proposals should be limited to no more than 75 paginated (total front and back) pages, excluding required forms, tab separators, and attachments included in this RFP.
  - 4.1.4. Note that the Price Proposal (Attachments 8 and 9, Section 21.0 of the Proposal), must be separately sealed.
- 4.2. INTRODUCTORY MATERIAL

The Title Page should show the RFP number, subject, and name of the offeror, address, telephone number, fax number, e-mail address, and

date. In the Letter of Transmittal, offerors should include the names of the persons who will be authorized to make representations for the offeror, their titles, addresses, telephone numbers, and e-mail addresses. The letter should identify the primary engagement contact for the software firm, the contact for the implementation services firm if different, and the contact for any third-party software being proposed. Contact information should include a valid e-mail address and a toll-free telephone number. Any Signed Addenda to this RFP, as well as Attachment 2 – RFP Submittal Checklist, and Attachment 3 – Certifications and Signature of Offeror should be included after the Letter of Transmittal. The Table of Contents should include a clear identification of the material by section and by page number.

4.3. EXECUTIVE SUMMARY

(Proposal Section 1.0) This part of the response to the RFP should be limited to a brief narrative summarizing the offeror's proposal. The summary should contain as little technical jargon as possible and should be oriented toward non-technical personnel.

4.4. SCOPE OF SERVICES

(Proposal Section 2.0) This section of the offeror's proposal should include a general discussion of the offeror's overall understanding of the project and the scope of work proposed.

4.5. COMPANY BACKGROUND

(Proposal Section 3.0) Each offeror should complete Attachment 4 – Company Background to provide required information about the submitting (software solution) offeror's company, the implementation partner's company, and any third-party firm so that Loudoun Water can evaluate the offeror's and its proposed partner's stability and capability to support the commitments set forth in response to the RFP. Loudoun Water, at its sole discretion, may require the offeror to provide additional support and/or clarify requested information about the offeror, implementer and any third-party firm. In addition to using Attachment 4, the offeror may provide a narrative on its company background in its proposal. However, any narrative information provided should not be considered a substitute for fully completing Attachment 4.

#### 4.6. FINANCIAL INFORMATION

(Proposal Section 4.0) Each offeror must provide a summary of a recent corporate financial audit, or a Dun & Bradstreet report in this section.

#### 4.7. PROPOSED APPLICATION SOFTWARE AND COMPUTING ENVIRONMENT

(Proposal Section 5.0). The offeror should present, in detail, features and capabilities of the proposed application software. In addition to the description, provide in succinct narrative form (at least one paragraph per item) answers to the following questions:

##### 4.7.1. Modular Integration

- 4.7.1.1. What proposed modules are fully integrated (part of the base software) into the main application?
- 4.7.1.2. What are the proposed third-party applications?
- 4.7.1.3. If there are proposed third-party applications, how are they integrated into the system software solution application? Is the third-party application a customized application or a COTS application?
- 4.7.1.4. Also address functional integration issues, such as shared security and workflow, and legacy solutions as well as their interface methodologies.

##### 4.7.2. Technology Architecture

- 4.7.2.1. Describe recommended application server infrastructure to support your solution. If multiple platform choices exist, describe key decision criteria such as transaction volume, real-time redundancy, failover, disaster recovery, and system distribution characteristics.
- 4.7.2.2. Upon which platforms does your software run?
- 4.7.2.3. What are the optimal and minimum database requirements?

- 4.7.2.4. What are the optimal and minimum infrastructure requirements?
  - 4.7.2.5. What are the optimal and minimum desktop (client) requirements?
  - 4.7.2.6. Does your software require a “thick client” or a “thin client” on the desktop?
  - 4.7.2.7. Describe differences between the thick and thin clients.
  - 4.7.2.8. To what extent does your suite of applications utilize service-oriented architecture (SOA) or other integration functions?
  - 4.7.2.9. If your solution incorporates SOA as a primary architectural construct, describe your suggested approach/foundation for governance of the environment both during implementation and in maintenance. Include architectural description in the form of diagrams and figures, as appropriate. Describe recommended server technologies to support your solution. If multiple platform choices exist, describe key decision criteria such as transaction volume, concurrent users, and system distribution characteristics. Include high level architectural diagrams, charts, or figures to support your response, as appropriate. Also, describe how your recommendation may impact Loudoun Water’s current operational and support capabilities.
  - 4.7.2.10. Describe any required/suggested integration methodologies (i.e., composite application integration, middleware integration, data integration) that support the operation of your system. Include high-level architectural description in the form of diagrams and figures as appropriate.
- 4.7.3. System Availability
- 4.7.3.1. What types of routines would require the system to be unavailable?

- 4.7.3.2. What is the average length of the time the system is up and available prior to an absolutely essential break in activity for system maintenance?
- 4.7.3.3. Describe any known services that require system down-time in a high availability/redundant system.
- 4.7.3.4. Provide average frequency of totally disruptive maintenance.

4.7.4. Platforms and Storage

Describe suggested/typical approach for failover and scalability of the system through application server clustering, load balancing, mirroring and associated technologies or approaches.

4.7.5. Back-up and Recovery

Describe the back-up and recovery methods, including available back-up tools and real-time redundancy for the software. Describe the recovery expectations in your proposal.

4.7.6. Networking and Telecommunications

- 4.7.6.1. What are the optimal and minimum network requirements based upon core and client requirements?
- 4.7.6.2. Describe any suggested/typical technologies that are employed alongside your solution at the network level such as hardware network load balancers and other application acceleration equipment.

4.7.7. Collaboration and Electronic Workplace

Indicate any typical/suggested portal functionality that is implemented as part of the solution. If your solution requires incorporation of a third party product, indicate the firm product.

- 4.7.8. Administration/Development Toolsets
  - 4.7.8.1. What application toolsets are included with the software?
  - 4.7.8.2. What programming languages and skills are required to maintain the software?
  - 4.7.8.3. What tools are available to configure the software (e.g., add fields, create new tables, change menus, etc.)?
  - 4.7.8.4. What monitoring is routinely required for optimal system performance (e.g., monitoring of audit files)?
- 4.7.9. Security
  - 4.7.9.1. What security tools are included with the software?
  - 4.7.9.2. How are the following restrictions accomplished:
    - 4.7.9.2.1. administrative tool access;
    - 4.7.9.2.2. application access;
    - 4.7.9.2.3. menu access;
    - 4.7.9.2.4. record access;
    - 4.7.9.2.5. field access;
    - 4.7.9.2.6. querying/reporting access
  - 4.7.9.3. How are the security profiles defined?
  - 4.7.9.4. What is included in the user security profiles?
  - 4.7.9.5. How does your security work with Loudoun Water's standard of Active Directory?
  - 4.7.9.6. How does your security work with the proposed third-party solutions, if any, being proposed?
  - 4.7.9.7. Describe the implication of security patches to your solution.

- 4.7.9.8. Describe any best practice security designs for public sector that your firm utilizes. Describe how the best practice design will be applied during implementation.
  - 4.7.9.9. Describe how electronic and digital signature technologies have been incorporated with your software solution--either natively or via integration with third party software. Where possible, list third party electronic and digital signature technologies that your organization has successfully integrated.
  - 4.7.9.10. What approach(es) or architectures do you suggest for managing access and authorization of both internally managed identities within Loudoun Water departments as well as suppliers, constituents, and other identities that have historically not been managed by Loudoun Water? List any specific technologies associated with this requirement that you have successfully integrated previously.
  - 4.7.9.11. Describe your solution's ability to integrate with third party identity and access management solutions such as those that implement two-factor authentication, one-time passwords (OTP), or biometrics for identity. Identify approach and architecture for integrating with third party identity and access management systems. Describe, if possible, key decision criteria for integration of identity and access management technologies--such as those formerly listed.
- 4.7.10. Workflow
- 4.7.10.1. Describe the workflow tools in your software.
  - 4.7.10.2. List the standard workflows that are inherent in the system.
  - 4.7.10.3. How are workflow rules defined?
  - 4.7.10.4. How well does workflow integrate with any proposed third-party solutions, if any, being proposed? Describe how workflow is programmed to work with third-party solutions.

- 4.7.10.5. Describe how workflow functionality carries through to Loudoun Water's legacy applications.
- 4.7.10.6. Describe flexibility and configurability of workflow tools.
- 4.7.11. Upgrade tools
  - 4.7.11.1. What is the upgrade frequency?
  - 4.7.11.2. How are patches and fixes applied?
  - 4.7.11.3. How are patches and fixes deployed?
  - 4.7.11.4. How are upgrades applied? How much training (technical training and end user) is generally required with upgrades to the system?
  - 4.7.11.5. Describe the impact of upgrades on customer software configurations (e.g., user defined tables and fields).
  - 4.7.11.6. How many versions of the software does your company support? Provide details of all upgrades and bug patches over the last five (5) years. To what extent is your firm supporting customers that are beyond your normal support limits? What are the implications to support price when customers are on versions beyond support?
- 4.7.12. Reporting and Analysis Tools
  - 4.7.12.1. What reporting tools are available?
  - 4.7.12.2. What online analytical processing (OLAP) tools are available?
  - 4.7.12.3. Is your product compatible with Microsoft Office products? What versions does your application support? Are there Microsoft Office version limitations?

4.7.12.4. Do the same security definitions apply to the reporting tools as to the main application software?

4.7.12.5. Describe your suggested approach for providing reporting and analytics.

4.7.12.6. Does your system support Crystal Reports?

#### 4.8. THIRD-PARTY PRODUCTS/OPTIONAL SOFTWARE

4.8.1. (Proposal Section 6.0) The offeror should clearly identify any third-party products that are part of the proposed solution to Loudoun Water. **For each third-party product there should be a statement about whether the offeror's contract will encompass the third-party product and/or whether Loudoun Water will have to contract separately with the third-party firm for the product.** The successful offeror shall be responsible for the implementation and the satisfactory performance of any third party software included in the offeror's proposal. A proposal should describe any products, features or other value-added components recommended for use with the proposed system that have not been specifically requested in this RFP. The offeror should also provide proof that it has access to the third-party software source code (owned or in escrow) and that the offeror has the ability to provide long-term support for the third-party software components of its system.

4.8.2. Consideration of these products, features, or other value-added components will be given where they may be of value to Loudoun Water.

4.8.3. Offerors should include the price of any third-party products, including the software license price, maintenance, implementation, training price, and any other related prices in the total price of this proposal regardless of whether these are provided directly under the successful offeror's resulting contract or contracted separately by Loudoun Water and third-party provider.

#### 4.9. IMPLEMENTATION PLAN

4.9.1. (Proposal Section 7.0) Implementation Plan

4.9.1.1. Loudoun Water's implementation strategy includes planning and design tasks separate from subsequent implementation tasks. Loudoun Water intends that the Contractor complete the design tasks before it authorizes the Contractor to proceed on subsequent implementation tasks. It is expected that the offer will continue to detail and define the plan for future phases of the project, and that more detail will be focused on the initial phases that are prioritized for delivery earlier in the project.

4.9.1.2. The offeror should provide a detailed plan for implementing the proposed solution. This information should include:

4.9.1.2.1. The overall project implementation methodology. The methodology that will be used including project phases, best practice implementation and your firm's experience implementing enterprise solutions in the public sector.

4.9.1.2.2. Loudoun Water has a current position on how and when it would like to implement the system software solution. Loudoun Water is open to other alternatives that would lower the risk and price and/or increase the value. If another alternative is recommended, provide the reasons for doing so. Use the pricing schedule Attachment 8 - Pricing) to present the price for each alternative.

4.9.1.2.3. Provide your on-site office space requirements.

4.9.1.2.4. Design Phase. The offeror shall include an implementation phase for design of the entire proposed application, including integration of all proposed

functionality (including third-party applications). The design shall consider, but is not limited to, specifications for all hardware and related infrastructure components, software functionality, software interfaces, security, Loudoun Water's software application disposition plan, and the use of Loudoun Water's legacy applications, in the completed solution. Offerors shall be expected to validate the functional and technical requirements, as well as the interface and conversion requirements as part of the design deliverable.

- 4.9.1.2.5. Detailed methodology for implementing enterprise software. Methodology shall include estimated timeframe, overview of phases and milestones, assumptions, and assumed responsibilities. Please note: Loudoun Water's fiscal year begins on January 1 of each year.
- 4.9.1.2.6. Detailed description of any tools or models that your firm uses for identifying best practice implementation.
- 4.9.1.2.7. Description and examples on how design options are presented, including process for educating Loudoun Water on making informed decisions about which option to take.
- 4.9.1.2.8. Detailed methodology for implementing third-party software. Methodology shall include estimated timeframe, overview of phases and milestones, assumptions, and assumed responsibilities.
- 4.9.1.2.9. Quality Assurance. Loudoun Water requires implementers to utilize a quality assurance review process by the Software firm and also by the implementer. Describe the process that your firm will use to complete this item.

- Include in your description a schedule for the quality assurance activities.
- 4.9.1.2.10. Testing. Describe the overall testing strategy within your implementation methodology. Loudoun Water expects unit testing, integration testing and regression testing to be a part of this strategy.
- 4.9.1.2.11. System Environment (e.g., Development, Testing, Quality Assurance, Production). Describe your strategy for utilizing the system environment throughout the implementation. Include in your description all of the environments that will be utilized to roll out each phase.
- 4.9.1.2.12. Application Hosting. Loudoun Water may consider utilizing a hosting application during the implementation process. Provide the benefits of using a hosted solution for implementation versus utilizing an environment hosted by Loudoun Water.
- 4.9.1.2.13. Change Control. Provide a description of your change control methodology during implementation and post-implementation.
- 4.9.1.2.14. If Loudoun Water decides to adjust the project timeframe (decrease or lengthen) proposed by the offeror, describe the impact (e.g., impact to the staffing plan).
- 4.9.1.2.15. Based on your experience with similar organizations, explain the extent to which Loudoun Water should include a contingency factor for additional work effort in its project budget and staffing plan.

- 4.9.1.2.16. Describe the role of Loudoun Water and offeror staff for interface development.
- 4.9.1.2.17. Provide the assumptions related to the work effort estimates for interfaces (e.g., the specific interfaces included in the work effort estimates). Also give a brief description of the interface development process including any special toolsets that will be utilized for the process. Refer to Attachment 14 – List of Interfaces for a listing and description of required interfaces.
- 4.9.1.2.18. Describe the role of Loudoun Water and offeror staff for data conversion and migration. Provide the assumptions related to the work effort estimates for data conversion (e.g., amount and type of data to be converted) and migration. Also give a brief description of the data conversion and migration process including any special toolsets that will be utilized. Refer to Attachment 15 – List of Anticipated Conversions for a list of datasets anticipated for conversion.
- 4.9.1.2.19. Describe the role of Loudoun Water and offeror staff for report development. Provide the assumptions related to the work effort estimates for report development (e.g., amount and type of data to be converted). Also give a brief description of the report development process including any special toolsets that will be utilized. Refer to Attachment 13 – Reporting Requirements for a list of required reports.
- 4.9.1.2.20. Confirm that the proposal contains the level of work effort that will be required to provide for the known customizations, modifications, and/or

configured reports that the proposal response has indicated as necessary to deliver the functionality. Identify any assumptions related to these items.

- 4.9.1.2.21. Work effort estimates shall match assumptions presented in the price schedule and the assumptions presented in the implementation methodology.

#### 4.9.2. Participation of the Software Offeror in Implementation

- 4.9.2.1. Loudoun Water is requiring the successful Software offeror to participate in the implementation effort. The Software offeror proposal should address in detail how and what level of effort it will provide in the implementation effort. The Software offeror shall be required to invest a minimum of five percent (5%) of its work effort in meaningful activities for this task. Activities for the software implementation effort may include, but not limited to:

- 4.9.2.1.1. Review of project management plan.
- 4.9.2.1.2. Consultation assistance for sizing of hardware.
- 4.9.2.1.3. Review of proposed configuration designs of the software.
- 4.9.2.1.4. Review of unit and integration test plans.
- 4.9.2.1.5. Review of functional and technical test scripts.
- 4.9.2.1.6. Provide technical assistance to Loudoun Water programmers.
- 4.9.2.1.7. Provide pre-“Implementation Cycle” review and support.
- 4.9.2.1.8. Provide periodic quality assurance review of the software implementation; including parallel testing with Loudoun Water data.
- 4.9.2.1.9. Other activities that will be negotiated as part of the overall statement of work.

- 4.9.2.2. If the successful Software offeror is not the primary implementation consultant, the implementation consultant shall subcontract with the successful Software offeror for software goods and services as needed to fulfill the requirements of the project. Outside of any software licensing and maintenance contracts, Loudoun Water expects to sign only one (1) implementation contract.

#### 4.10. STAFFING AND STAFF RESUMES

(Proposal Section 8.0) In this section the Offeror should provide:

- 4.10.1.1. Project organization chart showing Loudoun Water and offeror staff, role description and a description of the correlation between Loudoun Water and Consulting roles.
- 4.10.1.2. Describe team structure and duties as a known team with successful implementations in the public sector.
- 4.10.1.3. Identify key roles on the implementation team.
- 4.10.1.4. Describe how offeror typically replaces team members.
- 4.10.1.5. Explain the rationale and/or assumptions forming the basis for the staffing plan proposed for both the offeror and Loudoun Water staff. This explanation should be in the context of the overall project plan and rollout strategy to enable Loudoun Water to fully understand the implications of and need for the proposed staffing plan.
- 4.10.1.6. Names, titles, and resumes of offeror's staff likely to be assigned to this project.

#### 4.11. STAFF MATRIX

(Proposal Section 9.0) Include an estimate of project work effort estimates utilizing (Attachment 11 -Staffing Matrices). A staffing chart listing the estimated resource utilization (for both Loudoun Water staff and the offeror) for each month shall be submitted on the form provided in this RFP. Loudoun Water reserves the right to alter work effort ratios based on further discussion with the offerors throughout the evaluation

process. It is important to estimate work effort for Loudoun Water staff and tie this directly to the proposed implementation schedule. The work effort estimates for offeror staffing should be in line with the Price Estimates related to implementation services, i.e., implementation price should reflect work effort estimates in hours multiplied by the offeror's hourly rates.

#### 4.12. TRAINING PLAN

(Proposal Section 10.0) The offeror should provide a detailed plan for training. This information should include:

- 4.12.1. Overview of proposed training plan/strategy, including options for on-site or offsite training services, for the core project team, end-users, and technology personnel.
- 4.12.2. The role and responsibility of the software and/or implementation firm in the design and implementation of the training plan (e.g., development of customized training materials, delivering training to Loudoun Water end-users).
- 4.12.3. The role and responsibility of Loudoun Water staff in the design and implementation of the training plan.
- 4.12.4. The knowledge transfer strategy proposed by the software (including operations pieces such as configuration) and/or implementation firm to prepare Loudoun Water staff to maintain the system after it is placed into production.
- 4.12.5. Descriptions of Classes/Courses proposed in the training plan. The offeror should specify the unit of measure for its training (e.g., units, classes, days, etc.) and define the hours associated with these units of measure. The offeror should be very clear about exactly what training courses are included in the price of the proposal.
- 4.12.6. Description of optimum training space requirements (furniture, equipment, etc.).
- 4.12.7. Other electronic delivery of training (e.g., computer based training).
- 4.12.8. Description of any hosting options for training functions.

#### 4.13. CHANGE MANAGEMENT PLAN

(Proposal Section 11.0) A detailed plan for change should be provided as part of the proposal package. The change management plan should address:

- 4.13.1. Overall description of the change management strategy during implementation and post implementation.
  - 4.13.2. Process for identifying change management issues throughout the engagement.
  - 4.13.3. The roles and responsibilities of Loudoun Water team, the software firm, and the implementation firm.
  - 4.13.4. Strategy for communicating business process changes.
  - 4.13.5. Tools for facilitating development of business process maps based upon best practices.
  - 4.13.6. Strategy for mitigating change management issues.
  - 4.13.7. Optimum team design and governance design for a successful change management program.
- 4.14. MAINTENANCE AND SUPPORT PROGRAM
- (Proposal Section 12.0) Using Attachment 10, the proposal should specify the nature of any post implementation and on-going support provided by the firm including software license maintenance.
- 4.14.1. Post-implementation support (e.g., number of months of on-site support after go live).
  - 4.14.2. Telephone support (e.g., include toll-free support hotline, hours of operation, availability of hotline twenty-four (24) hours per day and seven (7) days per week).
  - 4.14.3. Special plans defining "levels" of customer support (e.g., gold, silver, etc.). Define what level of support is being proposed.
  - 4.14.4. Response time for and definition of various types (levels of severity) of problems reported to the support network (e.g., critical issue response time).
  - 4.14.5. Delivery method of future upgrades and product enhancements including historical frequency of upgrades by module.
  - 4.14.6. Availability of user groups and their geographic areas.
  - 4.14.7. Problem reporting and resolution procedures.
  - 4.14.8. Bug fixes and patches.
  - 4.14.9. Additional consultants or personnel available for proposed support level
  - 4.14.10. Other support (e.g., on-site, remote dial-in, website access to patches, fixes and knowledge base).

4.14.11. If there is to be a separate maintenance contract, offeror should attach form of such contract, if any.

Use the form found in Attachment 10 - Maintenance and Support Summary to complete your data.

4.15. CLIENT REFERENCES

(Proposal Section 13.0) Loudoun Water considers references for both the software and implementation offerors (if different) to be important in its decision to award a contract.

All references provided will be contacted by Loudoun Water during the selection process. Loudoun Water will not work through an offeror's Reference Manager to complete a reference. The names and phone numbers of the project manager for each reference should be listed. Failure to provide this information may result in the offeror not being elevated to software demonstrations. Offeror hereby releases listed references from all claims and liability for damages that may result from the information provided by the reference. Loudoun Water will attempt to contact the reference twice and then will ask the primary contact in the offeror's proposal for assistance. If Loudoun Water fails to make contact with the reference after a third try, the reference will be considered as a "no response" in the evaluation and scored accordingly.

4.15.1. Software Firms

4.15.1.1. Using Attachment 5- Software Reference Form, software firms should provide at least four (4) client references for water utilities that are similar in size and complexity to this procurement and which have utilized the proposed system (including the proposed version) in a comparable computing environment. References should be for fully completed (live) installations.

4.15.1.2. Each reference should include information on the "breadth" of the software solution (e.g., GL, AP, AR, maintenance management, etc.). Information should include at the minimum: date of installation, length of implementation, name of client reference, name of client's project manager, jurisdiction, address, and telephone and fax numbers. Confirm that each reference is willing to participate in a 30–45 minute

reference check call and inform references that they will be contacted by Loudoun Water. All contact information should be correct and up-to-date.

#### 4.15.2. Implementation Firms

4.15.2.1. Using Attachment 6 - Implementation Services Reference Form, implementation firms should provide at least four (4) client references for water utilities that are similar in size and complexity to this procurement and which have utilized the proposed system (including the proposed version) in a comparable computing environment. References should be for fully completed (live) installations.

4.15.2.2. Confirm that each reference is willing to participate in a 30–45 minute reference check call and inform references that they will be contacted by Loudoun Water. All contact information should be correct and up-to-date.

#### 4.16. EXCEPTIONS TO THE RFP

(Proposal Section 14.0) All requested information in this RFP shall be supplied. Offerors may take exception to certain requirements, including the terms and conditions, in this RFP. All exceptions shall be clearly identified in this section and accompanied by a written explanation providing a description of the advantages or disadvantages to Loudoun Water as a result of the exceptions. Loudoun Water, at its sole discretion, may negotiate or reject any exceptions or specifications within the proposal.

#### 4.17. SAMPLE DOCUMENTS

(Proposal Section 15.0) Offerors should include sample copies of the following documents:

- 4.17.1. Sample software licensing agreement
- 4.17.2. Sample maintenance agreement
- 4.17.3. Sample implementation services agreement if applicable

#### 4.18. RESPONSES TO FUNCTIONAL AND TECHNICAL REQUIREMENTS

- 4.18.1. (Proposal Section 16.0) Responses to the functional and technical requirements listed in Attachment 12 – Functional and Technical Requirements to this RFP must be provided in this section of the offeror's proposal. Offerors should use the format provided and add explanatory details as necessary in a separate spreadsheet using the requirement number as a reference. The following answer key must be used when responding to the requirements:

<b>F</b> Fully Provided "Out-of-the-Box"	<b>CU</b> Customization (Change to source code required)
<b>CO</b> Configuration (Setup required with built in tools and procedures but no change in source code is required)	<b>TP</b> Third Party Software Required to Fully Provide Requirement
<b>R</b> Provided with Reporting Tool	<b>NA</b> Not Available
<b>CB</b> Customization (Change to source code and will be supported in future base product)	

- 4.18.2. Offerors shall use one code only per requirement. The spreadsheet is locked to enforce the use of one (1) code only per requirement. Offerors should feel free to create their own separate spreadsheet for lengthy comments on particular requirements that are cross referenced to specific requirement numbers. All requirement responses shall be submitted in the format presented in the attached spreadsheet. The requirements responses submitted will be attached to the software license and implementation services contract. For requirement responses, other than "NA", offerors shall indicate the module or product that is required to meet the requirement. All responses that indicate that functionality is available out-of-the-box, through configuration, customization, or a reporting tool, or through a third-party product should be included in the price submitted in the proposal. Furthermore, the module necessary to perform that functionality must be included in the scope and price of the proposal. If functionality is expected to be available, describe the functionality in the comments column

of the appropriate spreadsheet and what is the impact on functionality to the system as proposed.

4.19. RESPONSES TO REPORTING REQUIREMENTS

(Proposal Section 17.0) Responses to the reporting requirements listed in Attachment 13 – Reporting Requirements to the RFP should also be included in the proposal.

4.20. RESPONSES TO INTERFACE REQUIREMENTS

(Proposal Section 18.0) Responses to the interface requirements (Attachment 14 – List of Interfaces) to the RFP should also be included in this section of the RFP. The following answer key must be used when responding to the interface requirements:

4.20.1. Interface Disposition (Permanent, Temporary, or Go-Away). The offeror should identify whether or not the interface will be permanent, temporary, or go-away as a result of the proposed project implementation.

4.20.2. Included in Price (Y/N). If your firm agrees that this interface item must be supported and requires alteration in order to work with the new system, or it is a new interface item that requires development, indicate with a Yes or No whether or not your firm's work effort to complete the interface development is included in the pricing schedule.

4.21. RESPONSES TO CONVERSION REQUIREMENTS

(Proposal Section 19.0) Responses to the conversion requirements (Attachment 15 – List of Anticipated Conversions) to the RFP should also be included in this section of the RFP. The following answer key must be used when responding to the conversion requirements:

4.21.1. Agree (Y/N). Offerors should identify whether or not your firm agrees that this item needs to be converted.

4.21.2. Included in Price (Y/N). If your firm agrees that this item needs to be converted, indicate with a Yes or No whether or not your firm's work effort to complete the conversion is included in the pricing schedule.

#### 4.22. APPLICATION INVENTORY

(Proposal Section 20.0) Offerors need to complete Attachment 16 – Application Inventory, listing all of the anticipated application dispositions. The software license and implementation price needs to reflect your response to this attachment.

#### 4.23. PRICE PROPOSAL

(Proposal Section 21.0) Offerors should submit an estimate of the proposed project price (Attachment 8 - Pricing) including a breakdown of price by phase (Attachment 9 - Price Summary by Phase). The offeror's price proposal shall be presented in the format provided in the Attachments to this RFP. Loudoun Water reserves the right to contact offerors on price and scope clarification at any time throughout the selection process and negotiation process. It is important that offerors use the price format presented in this RFP Pricing. Do NOT use "TBD" (to be determined) or similar annotations in the cells for price. All cells must be completed. Loudoun Water is asking offerors to provide price for all categories with the understanding that they may have to make assumptions. Such assumptions should be stated. Offerors should define the type of license being proposed - even if multiple types of licenses are being proposed. Offerors should provide definitions for each type of license being proposed in the assumption box on the pricing form. Offerors should provide information about their standard software discounts and pricing breakpoints, including a history of discounts offered to customers over the previous five (5) years. Loudoun Water prefers maintenance fees to begin twelve (12) months after final acceptance of the software.

##### 4.23.1. Anticipated Interfaces

Offerors need to assume that the Implementer will take the lead on interface development with support from Loudoun Water. Offerors need to evaluate the list of likely interfaces (See Attachment 14 – List of Interfaces). If the offeror agrees that it is unlikely that the functionality as described in the Description column can be provided by the offeror's software, the price of an interface to these systems must be included in the price of the proposal. If the Interface Price does not include all of the following interfaces, offerors must be very specific through documentation about which are not included and provide a detailed explanation of how that functionality will be performed.

#### 4.23.2. Anticipated Data Conversions

Offerors need to assume that the Implementer will take the lead on Data Conversion with support from Loudoun Water. For purposes of determining level of effort for data conversion, offerors need to assume that Loudoun Water wishes to use the conversion strategy listed in Attachment 15 – List of Anticipated Conversions. Offerors need to also add to the conversion list if they have further recommendations.

#### 4.23.3. Anticipated Customizations

Offerors need to review the functional requirements and estimate the level of effort and the price for completing the customization. The offeror must include these prices in the price schedule (Attachment 8 - Pricing). Also include any other price implication (e.g., warranties, post implementation support) in the price schedule.

#### 4.23.4. Anticipated Reports

Offerors need to assume that the Implementer will take the lead on report development with support from Loudoun Water. Offerors need to complete Attachment 13 – Reporting Requirements, listing all anticipated reports. Level of effort and pricing for report development should reflect the results of this form.

#### 4.23.5. Software Maintenance Fees

The offeror agrees to waive maintenance fees until final acceptance of the solution in production environment.

#### 4.23.6. Additional Users and Modules

All software prices are to be firm and fixed for two (2) years from the date of acceptance of the solution by Loudoun Water, for additional Loudoun Water users and all modules that are contained in the entire software suite.

## 5. TECHNOLOGY STANDARDS

### 5.1. CURRENT TECHNOLOGY STANDARDS

The technology standards for this project will be administered by Loudoun Water's Information Technology Services Division (ITS). Loudoun Water's standards are listed in Attachment 19 – Loudoun Water IT Architecture Plan. Offerors should propose technologies that are compatible with Loudoun Water's architecture standards. **Note:** if a standard is expected to change, the new standard will be listed as well as the target implementation date. In these instances, offerors should propose architectures that support the newer standard.

## 6. CONTRACT TERMS AND CONDITIONS

The Contract with the successful offeror will contain the following Contract Terms and Conditions. Offerors intending to require additional or different language must include such language with their proposal. Failure to provide offeror's additional Contract terms may result in rejection of the proposal.

### 6.1. PROCEDURES

6.1.1. The extent and character of the services to be performed by the Contractor shall be subject to the general control and approval of the appropriate Contract administrator (to be determined). The Contractor shall not comply with requests and/or orders issued by other than the Contract administrator acting within their authority for Loudoun Water.

6.1.2. Any change to the Contract must be approved in writing by the Purchasing Manager and the Contractor.

### 6.2. DELAYS

If delay is foreseen, the Contractor shall give immediate written notice to the Division of Procurement. The Contractor must keep Loudoun Water advised at all times of the status of the order. Default in promised delivery (without accepted reasons) or failure to meet specifications, authorizes the Division of Procurement to purchase supplies elsewhere and charge full increase in cost and handling to defaulting Contractor.

### 6.3. CONFIDENTIALITY AND SECURITY

- 6.3.1. The Contractor shall not copy, display to other parties, or distribute Loudoun Water data, information, reports, or other materials given to, prepared or assembled by the Contractor without the express written permission of Loudoun Water.
- 6.3.2. The Contractor shall not copy, display to other parties, or distribute Loudoun Water owned programs, proprietary data or information without the express written permission from Loudoun Water.
- 6.3.3. The Contractor shall use only Loudoun Water approved access technologies for remote access to Loudoun Water networks, servers, and applications. The Contractor shall access Loudoun Water networks, servers, and applications only for business reasons associated with the provision of services to Loudoun Water.
- 6.3.4. The Contractor shall use hardened passwords for all access related to Loudoun Water networks, servers, and applications. Such passwords shall contain at least eight (8) characters, and shall contain at least one (1) each: alpha character, numeric character, and special character.
- 6.3.5. Hardware operating system software and applications software provided through this Contract shall be provided with all known security vulnerability patches applied.

### 6.4. BUSINESS, PROFESSIONAL, AND OCCUPATIONAL LICENSE REQUIREMENT

- 6.4.1. All firms or individuals located or doing business in Loudoun County are required to be licensed in accordance with Loudoun County's "Business, Professional, and Occupational Licensing (BPOL) Tax" Ordinance during the initial term of the Contract or any renewal period.
- 6.4.2. Wholesale and retail merchants without a business location in Loudoun County are exempt from this requirement. Questions

concerning the BPOL Tax should be directed to the Office of Commissioner of Revenue, telephone (703) 777-0260.

6.5. PAYMENT OF TAXES

In good faith, all Contractors located or owning property in Loudoun County shall assure that all real and personal property taxes are paid.

6.6. INSURANCE

6.6.1. The Contractor shall be responsible for its work and every part thereof, and for all materials, tools, equipment, appliances, and property of any and all description used in connection therewith. The Contractor assumes all risk of direct and indirect damage or injury to the property or persons used or employed on or in connection with the work contracted for, and of all damage or injury to any person or property wherever located, resulting from any action, omission, commission or operation under the Contract.

6.6.2. The Contractor and all subcontractors shall, during the continuance of all work under the Contract provide the following:

6.6.3. Workers' Compensation and Employer's Liability to protect the Contractor from any liability or damages for any injuries (including death and disability) to any and all of its employees, including any and all liability or damage which may arise by virtue of any statute or law in force within the Commonwealth of Virginia.

6.6.4. Comprehensive General Liability insurance to protect the Contractor, and the interest of Loudoun Water, its officers, employees, and agents against any and all injuries to third parties, including bodily injury and personal injury, wherever located, resulting from any action or operation under the Contract or in connection with the contracted work. The General Liability insurance shall also include the Broad Form Property Damage endorsement, in addition to coverage for explosion, collapse, and underground hazards, where required.

- 6.6.5. Automobile Liability Insurance, covering all owned, non-owned, borrowed, leased, or rented vehicles operated by the Contractor.
- 6.6.6. The Contractor agrees to provide the above referenced policies with the following limits. Liability insurance limits may be arranged by General Liability and Automobile policies for the full limits required, or by a combination of underlying policies for lesser limits with the remaining limits provided by an Excess or Umbrella Liability policy.

Workers' Compensation:

Coverage A:	Statutory
Coverage B:	\$100,000

General Liability:

Per Occurrence:	\$5,000,000
Personal/Advertising Injury:	\$5,000,000
General Aggregate:	\$5,000,000
Products/Completed Operations: aggregate	\$5,000,000
Fire Damage Legal Liability:	\$100,000
GL Coverage, excluding Products and Completed Operations, should be on a Per Project Basis	

Automobile Liability:

Combined Single Limit:	\$5,000,000
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- 6.6.7. Contractor will maintain at its expense: Professional Liability Insurance in the amount of \$5,000,000, including coverage for errors and omissions caused by Contractor's negligence in the performance of its duties under this agreement.
- 6.6.8. The following provisions shall be agreed to by the Contractor:
- 6.6.8.1. No change, cancellation, or non-renewal shall be made in any insurance coverage without a forty-five (45) day written notice to Loudoun Water. The Contractor shall furnish a new Certificate of Insurance prior to any change or cancellation date. The failure of the Contractor to deliver a new and valid certificate will result in suspension of all payments until the new certificate is furnished.

6.6.8.2. Liability Insurance "Claims Made" basis:

If the liability insurance purchased by the Contractor has been issued on a "claims made" basis, the Contractor must comply with the following additional conditions. The limits of liability and the extensions to be included as described previously in these provisions, remain the same.

6.6.9. The Contractor must either:

6.6.9.1. Agree to provide certificates of insurance evidencing the above coverage for a period of two (2) years after final payment for the Contract for General Liability policies. This certificate shall evidence a "retroactive date" no later than the beginning of the Contractor's work under this Contract, or Purchase the extended reporting period endorsement for the policy or policies in force during the term of this Contract and evidence the purchase of this extended reporting period endorsement by means of a certificate of insurance or a copy of the endorsement itself.

6.6.9.2. The Contractor must disclose the amount of deductible/self-insured retention applicable to the General Liability and Automobile Liability. Loudoun Water reserves the right to request additional information to determine if the Contractor has the financial capacity to meet its obligations under a deductible/self-insured plan. If this provision is utilized, the Contractor will be permitted to provide evidence of its ability to fund the deductible/self-insured retention.

6.6.10. The Contractor must:

6.6.10.1. The Contractor agrees to provide insurance issued by companies admitted within the Commonwealth of Virginia, with the Best's Key Rating of at least A:VII.

6.6.10.2. European markets including those based in London, and the domestic surplus lines market that operate on a non-admitted basis are exempt from this requirement provided that the Contractor's broker can

provide financial data to establish that a market's policyholder surpluses are equal to or exceed the surpluses that correspond to Best's A:VII Rating.

- 6.6.10.2.1. The Contractor will provide an original signed Certificate of Insurance identifying Loudoun County Sanitation Authority is named as an additional insured by evidence of an endorsement(s) as prescribed herein.
  - 6.6.10.2.2. The Contractor will provide on request certified copies of all insurance coverage related to the Contract within ten (10) business days of request by Loudoun Water. These certified copies will be sent to Loudoun Water from the Contractor's insurance agent or representative. Any request made under this provision will be deemed confidential and proprietary.
  - 6.6.10.2.3. Any certificates provided shall indicate the Contract name and number.
- 6.6.11. Loudoun Water, its officers and employees shall be named as an "additional insured" on the Automobile and General Liability policies and it shall be stated on the Insurance Certificate with the provision that this coverage "is primary to all other coverage Loudoun Water may possess." (Use "loss payee" where there is an insurable interest). An endorsement must be provided to Loudoun Water.
- 6.6.12. Compliance by the Contractor with the foregoing requirements as to carrying insurance shall not relieve the Contractor of their liabilities provisions of the Contract.
- 6.6.13. Precaution shall be exercised at all times for the protection of persons (including employees) and property.

- 6.6.14. The Consultant is to comply with the Occupational Safety and Health Act of 1970, Public Law 91-956, as it may apply to this Contract.
- 6.6.15. If an "ACORD" Insurance Certificate form is used by the Contractor's insurance agent, the words "endeavor to" and ". . . but failure to mail such notice shall impose no obligation or liability of any kind upon the company" in the "Cancellation" paragraph of the form shall be deleted.
- 6.6.16. The Contractor agrees to waive all rights of subrogation against Loudoun Water, its officers, employees, and agents.

6.7. HOLD HARMLESS CLAUSE

The Contractor shall, indemnify, defend, and hold harmless Loudoun Water from loss from all suits, actions, or claims of any kind brought as a consequence of any negligent act or omission by the Contractor. The Contractor agrees that this clause shall include claims involving infringement of patent or copyright. For purposes of this paragraph, "Loudoun Water" and "Contractor" includes their employees, officials, agents, and representatives. "Contractor" also includes subcontractors and suppliers to the Contractor. The word "defend" means to provide legal counsel for Loudoun Water or to reimburse Loudoun Water for its attorneys' fees and costs related to the claim. This section shall survive the Contract. (Loudoun Water will not accept any requirement to indemnify or hold harmless a Contractor.)

6.8. SAFETY

All Contractors and subcontractors performing services for Loudoun Water are required and shall comply with all Occupational Safety and Health Administration (OSHA), State and County Safety and Occupational Health Standards and any other applicable rules and regulations. Also all Contractors and subcontractors shall be held responsible for the safety of their employees and any unsafe acts or conditions that may cause injury or damage to any persons or property within and around the work site area under this Contract.

6.9. NOTICE OF REQUIRED DISABILITY LEGISLATION COMPLIANCE

- 6.9.1. Loudoun Water is required to comply with state and federal disability legislation: The Rehabilitation Act of 1973 Section 504,

The Americans with Disabilities Act (ADA) for 1990 Title II and The Virginians with Disabilities Act of 1990.

- 6.9.2. Specifically, Loudoun Water, may not, through its contractual and/or financial arrangements, directly or indirectly avoid compliance with Title II of the Americans with Disabilities Act, Public Law 101-336, which prohibits discrimination by public entities on the basis of disability. Subtitle A protects qualified individuals with disability from discrimination on the basis of disability in the services, programs, or activities of all State and local governments. It extends the prohibition of discrimination in federally assisted programs established by the Rehabilitation Act of 1973 Section 504 to all activities of State and local governments, including those that do not receive Federal financial assistance, and incorporates specific prohibitions of discrimination on the basis of disability in Titles I, III, and V of the Americans with Disabilities Act. The Virginians with Disabilities Act of 1990 follows the Rehabilitation Act of 1973 Section 504.

#### 6.10. ETHICS IN PUBLIC CONTRACTING

- 6.10.1. The provisions contained in Sections 2.2-4367 through 2.2-4377 of the Virginia Public Procurement Act as set forth in the 1950 Code of Virginia, as amended, shall be applicable to all Contracts solicited or entered into by Loudoun Water. A copy of these provisions may be obtained from the Purchasing Manager upon request.
- 6.10.2. The above-stated provisions supplement, but do not supersede, other provisions of law including, but not limited to, the Virginia State and Local Government Conflict of Interests Act (§ 2.2-3100 et seq.), the Virginia Governmental Frauds Act (§ 18.2-498.1 et seq.) and Articles 2 and 3 of Chapter 10 of Title 18.2. The provisions apply notwithstanding the fact that the conduct described may not constitute a violation of the Virginia State and Local Government Conflict of Interests Act.

#### 6.11. EMPLOYMENT DISCRIMINATION BY CONTRACTORS PROHIBITED

Every Contract of over \$10,000 shall include the following provisions:

6.11.1. During the performance of this Contract, the Contractor agrees as follows:

6.11.1.1. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, status as a service disabled veteran, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

6.11.1.2. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, shall state that such Contractor is an equal opportunity employer.

6.11.1.3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient to meet this requirement.

6.11.2. The Contractor will include the provisions of the foregoing paragraphs, 1, 2, and 3 in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

## 6.12. DRUG-FREE WORKPLACE

Every Contract of over \$10,000 shall include the following provisions:

6.12.1. During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying Employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against

employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

6.12.2. For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor in accordance with this chapter, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana during the performance of the Contract.

6.13. EXEMPTION FROM TAXES

Pursuant to Va. Code § 58.1-609.1, Loudoun Water is exempt from Virginia State Sales or Use Taxes and Federal Excise Tax, therefore the Contractor shall not charge Loudoun Water for Virginia State Sales or Use Taxes or Federal Excise Tax on the finished goods or products provided under the Contract. However, this exemption does not apply to the Contractor, and the Contractor shall be responsible for the payment of any sales, use, or excise tax it incurs in providing the goods required by the Contract, including, but not limited to, taxes on materials purchased by a Contractor for incorporation in or use on a construction project. Nothing in this section shall prohibit the Contractor from including its own sales tax expense in connection with the Contract in its Contract price.

6.14. FAITH-BASED ORGANIZATIONS

Loudoun Water does not discriminate against faith-based organizations.

6.15. IMMIGRATION REFORM AND CONTROL ACT OF 1986

By entering this Contract, the Contractor certifies that it does not and will not during the performance of this Contract violate the provisions of the Federal Immigration Reform and Control Act of 1986, which prohibits employment of illegal aliens.

**6.16. SUBSTITUTION OF PROJECT MANAGER**

- 6.16.1. The Contractor's Project Manager shall not be substituted without written approval by the Division of Procurement.
- 6.16.2. Loudoun Water, however, reserves the right to replace any Contractor assigned Project Manager or personnel who are considered unacceptable by Loudoun Water. Replacement personnel must meet or exceed the person(s) expertise assigned under this Agreement. The Contractor shall further agree to work in good faith to ensure satisfactory turnover and knowledge transfer from one person to the other in the event of Loudoun Water approved personnel changes. The Contractor shall agree not to bill Loudoun Water for duplicate time used for circumstances where the replacement person(s) is being oriented and trained to Loudoun Water's project.

**6.17. WORKMANSHIP AND INSPECTION**

All work under this Contract shall be performed in a skillful and workmanlike manner. The Contractor and its employees shall be professional and courteous at all times. Loudoun Water may, in writing, require the Contractor to remove any employee from work for reasonable cause as determined by Loudoun Water. Further, Loudoun Water may, from time to time, make inspections of the work performed under the Contract. Any inspection by Loudoun Water does not relieve the Contractor from any responsibility in meeting the Contract requirements.

**6.18. INCONSISTENT PROVISIONS**

Notwithstanding any provisions to the contrary in any Contract terms or conditions supplied by the Contractor, Loudoun Water's Terms and Conditions herein supersedes the Contractor's terms and conditions, in the event of any inconsistency.

**6.19. WARRANTY OF SERVICES****System Software Solution Performance Warranty**

- 6.19.1. Contractor represents and warrants that the system software solution provided under this Contract will: (i) meet the acceptance or completion criteria as set forth in the Statement

of Work, the design document and/or any change order; (ii) be free from all material defects; and (iii) perform in accordance with the requirements set forth in the Statement of Work, the design document and/or any change orders, for a minimum of twenty-four (24) months following final acceptance of the System by Loudoun Water.

#### 6.19.2. System Integration Warranty

Contractor represents and warrants that, for a minimum of twenty-four (24) months following final acceptance of the System by Loudoun Water, all Contractor-provided and/or third-party equipment and/or software installed under this Contract, including all components thereof, (i) is compatible and will operate with one another and with Loudoun Water's hardware, software, and network environment as exists at the date of contract award, (ii) shall function properly as a fully integrated and implemented system, and (iii) when operated together will not cause any material delays, defects, or problems with the system software solution System. The parties acknowledge that, under the provisions of this Warranty, in the event that the implementation of one component causes errors in another software component(s), the Contractor shall be obligated, at no additional cost to Loudoun Water, to remedy the error in one or all components, as the case may be, regardless of whether or not the latter component's warranty period may have expired.

#### 6.19.3. Component Services, Software and Equipment Warranties

The Contractor warrants that all services performed and software and equipment provided under this Contract to meet each milestone will at the time of Loudoun Water's acceptance of each milestone be free from defects in workmanship and conform to the requirements of this Contract and that they will remain so through final acceptance of the System by Loudoun Water, and for a period of twenty-four (24) months following final acceptance of the System by Loudoun Water. To the extent software, equipment and services will be provided by entities other than the Contractor, the Contractor shall require third party warranties to conform to this provision and pass through all warranties to Loudoun Water if said warranties will continue beyond the expiration date of this Contract. Contractor will provide Loudoun Water with a written list of all third-party

IP or products and related warranties that Contractor plans to provide or use as part of the systems software solution.

#### 6.19.4. Software Warranties

The Contractor shall warrant that the contents of its proposal accurately reflect the software's capability to satisfy the requirements of this Contract's Statement of Work. In addition, the Contractor shall require software vendors to warrant that the software provided under this Contract will conform in all material respects to those requirements and to specifications stated in the software vendor's license. Said software warranties shall remain in place for minimum of twenty-four (24) months following final acceptance of the System by Loudoun Water. In addition to the above and not as a limitation, Contractor provides the following warranties.

#### 6.19.5. Third Party Agreements Warranty

Contractor represents and warrants that Contractor's performance does not and shall not violate any agreement or obligation between the Contractor and a third party.

#### 6.19.6. Third Party Intellectual Property Rights Warranty

Contractor represents and warrants that any and all work, products, and/or services implemented pursuant to this Agreement and/or delivered to Loudoun Water do not and will not infringe any Intellectual Property Right held by any third party.

#### 6.19.7. Warranty Repairs

6.19.7.1. Loudoun Water's remedy for a violation of any performance, product or integration warranty shall be as follows: If any services, software or equipment provided under the Contract fails during normal use, or fails to comply with the Contract's requirements, during the warranty period, the Contractor shall correct the failure at no cost to Loudoun Water after written notice is received from Loudoun Water. Corrections shall be undertaken in accordance with

the table contained in each appendix for the system proposed on. Loudoun Water shall determine the severity level. If, after making all reasonable efforts, the Contractor is unable to correct the failure, Loudoun Water shall be entitled to receive a refund equal to the amount paid for the services, software and/or equipment in question; provided, however, if the failure prevents Loudoun Water from using the system software solution, in whole or substantial part, for its intended purpose, Loudoun Water will be entitled to receive a refund equal to the entire amount paid for the said System, plus reasonable escalation.

6.19.7.2. While the warranty periods are in effect, the Contractor shall maintain a log of all warranty issues and the resulting action. The Contractor shall submit a monthly report listing all warranty claims submitted during that calendar month as well as a short annotation describing the resulting action. Warranty issues shall be reported to the Contractor on a form provided by Loudoun Water.

## 6.20. INVOICING AND PAYMENT

- 6.20.1. The Contractor shall submit invoices as outlined below. Invoices shall be based upon completion of tasks or deliverables and shall include progress reports.
- 6.20.2. Software Payment: Loudoun Water will make payments according to the Contract based on meaningful and critical milestones/deliverables.
- 6.20.3. Services Payment: Implementation services will be paid only on a milestone completion basis, meaning Loudoun Water will pay only when the Contractor has completed to Loudoun Water's satisfaction the mutually agreed upon payment milestones, as defined in the Contract document.
- 6.20.4. Services Retention: Loudoun Water will deduct an amount of five percent (5%) retention on all payments, with such retention

being released only upon Loudoun Water's final acceptance of the entire system.

- 6.20.5. All such invoices will be paid promptly by Loudoun Water unless any items thereon are questioned, in which event payment will be withheld pending verification of the amount claimed and the validity of the claim. The firm shall provide complete cooperation during any such investigation. All invoices shall be forwarded to the appropriate Contract Administrator.
- 6.20.6. Upon receipt and verification of undisputed invoice, Loudoun Water will render payment within thirty (30) days.
- 6.20.7. Individual Contractors shall provide their social security numbers, and proprietorships, partnerships, and corporations shall provide their federal employer identification number on the pricing form.

#### 6.21. PAYMENTS TO SUBCONTRACTORS

Within seven (7) days after receipt of amounts paid by Loudoun Water for work performed by a subcontractor under this Contract, the Contractor shall either:

- 6.21.1. Pay the subcontractor for the proportionate share of the total payment received from Loudoun Water attributable to the work performed by the subcontractor under this Contract; or
- 6.21.2. Notify Loudoun Water and subcontractor, in writing, of his intention to withhold all or a part of the subcontractor's payment and the reason for non-payment.
- 6.21.3. The Contractor shall pay interest to the subcontractor on all amounts owed that remain unpaid beyond the seven (7) day period except for amounts withheld as allowed in item B. above.
- 6.21.4. Unless otherwise provided under the terms of this Contract, interest shall accrue at the rate of one percent (1%) per month.

6.21.5. The Contractor shall include in each of its subcontracts a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements as set forth above with respect to each lower-tier subcontractor.

6.21.6. The Contractor's obligation to pay an interest charge to a subcontractor pursuant to this provision may not be construed to be an obligation of Loudoun Water.

6.22. ASSIGNMENT OF CONTRACT

The Contractor is prohibited from assigning, transferring, conveying, subletting, or otherwise disposing of this agreement or its rights, title or interest therein or its power to execute such agreement to any other person, company or corporation without the prior consent and approval in writing by Loudoun Water.

6.23. TERMINATION

6.23.1. Termination for Default: Loudoun Water may terminate the Contract in whole or in part, at any time whenever Loudoun Water determines that the Contractor is:

6.23.1.1. Defaulting in performance or is not complying with any provision of this Contract;

6.23.1.2. failing to make satisfactory progress in the prosecution of the Contract; or

6.23.1.3. Endangering the performance of this Contract.

6.23.2. Termination for default is effective on the date specified in Loudoun Water's written notice of default. Loudoun Water may include in the notice of default a notice to cure within ten days of receipt of the notice of default. Alternatively, should Loudoun Water determine the default contributes to the curtailment of an essential service or poses an immediate threat to life, health, or property, Loudoun Water may terminate the Contract immediately upon issuing oral or written notice to the Contractor without any prior notice or opportunity to cure. Should the Contractor fail to cure the default or is immediately terminated for default, in addition to any other remedies

provided by law or the Contract, the Contractor shall compensate Loudoun Water for additional costs that foreseeably would be incurred by Loudoun Water, whether the costs are actually incurred or not, to obtain substitute performance. A termination for default is a termination for convenience if the termination for default is later found to be without justification.

- 6.23.3. Termination for Convenience: This Contract may be terminated by Loudoun Water, in whole or in part, upon thirty (30) days written notice to the Contractor, when Loudoun Water determines this to be in its best interest. The termination for convenience is effective on the date specified in Loudoun Water's written notice. Termination for convenience may entitle the Contractor to payment for reasonable costs allocable to the Contract for work or costs incurred by the Contractor up to the date of termination. The Contractor shall not be paid compensation as a result of a termination for convenience that exceeds the amount encumbered to pay for work to be performed under the Contract.
- 6.23.4. Disentanglement: In connection with any expiration or termination of the Contract as detailed in 6.21.1 or 6.21.2 above, or the provision of any of the Services provided hereunder, the Contractor will take all actions necessary to accomplish a complete and timely transition from the Contractor to Loudoun Water, or to any replacement providers (collectively, the "New Offeror" or "NO") designated by Loudoun Water, of the Services being terminated (a "Disentanglement"), without material impact on the Services or any other services provided by third parties. The Contractor shall cooperate with Loudoun Water and the NO and otherwise take all steps required to assist Loudoun Water in effecting a complete and timely Disentanglement. The Contractor shall provide Loudoun Water and the NO with all information regarding the Services or as is otherwise needed for Disentanglement. The Contractor shall provide for the prompt and orderly conclusion of all work, as Loudoun Water may direct, including completion or partial completion of projects, documentation of work in process, and other measures to assure an orderly transition to Loudoun Water or Loudoun Water's NO. The Contractor shall provide any additional Disentanglement services as Loudoun Water requests for a period of up to one (1) year, on a time and materials basis, at an hourly rate not to exceed the rate agreed upon in

this Contract for each Contractor Personnel that is required to perform such Disentanglement services as requested by Loudoun Water unless the Disentanglement services are required as a result of a Termination for Default described in section of 6.21.1 above. If the Disentanglement services are as a result of 6.21.1, Loudoun Water will require the Contractor to provide disentanglement services and transition to the NO without additional cost to Loudoun Water unless by mutual agreement of the parties.

6.23.5. Termination Due to Unavailability of Funds in Succeeding Fiscal Years

If funds are not appropriated or otherwise made available to support continuation of the performance of this Contract in a subsequent fiscal year, then the Contract shall be canceled and, to the extent permitted by law, the Contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the supplies or services delivered under the Contract.

6.24. CONTRACTUAL DISPUTES

6.24.1. The Contractor shall give written notice to the Purchasing Manager of intent to file a claim for money or other relief within ten (10) calendar days of the occurrence giving rise to the claim or at the beginning of the work upon which the claim is to be based, whichever is earlier.

6.24.2. The claim, with supporting documentation, shall be submitted to the Purchasing Manager by US Mail, courier, or overnight delivery service, no later than sixty (60) days after final payment. The Contractor shall submit its invoice for final payment within thirty (30) days after completion or delivery. If the claim is not disposed of by agreement, the Purchasing Manager shall reduce his/her decision to writing and mail or otherwise forward a copy thereof to the Contractor within thirty (30) days of Loudoun Water's receipt of the claim.

6.24.3. The Purchasing Manager's decision shall be final unless the Contractor appeals within thirty (30) days by submitting a written letter of appeal to Loudoun Water General Manager, or

his designee. Loudoun Water shall render a decision within sixty (60) days of receipt of the appeal.

6.24.4. No Termination or Suspension of Services.

Notwithstanding anything to the contrary contained herein, and even if any claim or other dispute arises between the parties and regardless of whether or not it requires at any time the use of the dispute resolution procedures described above, in no event nor for any reason shall the Contractor interrupt or suspend or terminate the provision of services to Loudoun Water or perform any action that prevents, impedes, or reduces in any way the provision of Services or Loudoun Water's ability to conduct its activities, unless: (i) authority to do so is granted by Loudoun Water or conferred by a court of competent jurisdiction; or (ii) the Term of this Agreement has been terminated and Contractor has performed its obligations with respect to a Disentanglement.

6.25. OWNERSHIP OF INFORMATION

6.25.1. All work products and information pertaining to records, property, financial, or other information acquired under the scope of this Contract shall be strictly confidential and shall be considered works for hire and become the property of Loudoun Water. Any such works will not be stamped with the Contractors' proprietary marking. The Contractor shall return all information to Loudoun Water upon termination, and/or request and shall not utilize any of the information for purposes outside of the scope of this Contract or without express approval of Loudoun Water.

6.25.2. The selected software offeror shall provide their proposed systems' source code and software documentation, this also includes source code and documentation for all third-party proposed products to Loudoun Water, or establish an escrow account with the exact version of the source code, software documentation and third-party source code and documentation being implemented by Loudoun Water within thirty (30) days of execution and effective date of the Contract. The selected software offeror must provide to Loudoun Water, or escrow, the original, unaltered code, and software documentation which must be replaced with the as-built

code subsequent to completing the a) testing, b) acceptance and c) implementation phases of this project. The selected software offeror shall notify Loudoun Water every time code versions are sent to escrow. This is required to ensure that Loudoun Water has unrestricted access to use of the source code and software documentation in the event the selected software offeror ceases to exist, ceases to support the application, or otherwise terminates its relationship and/or ownership to the product.

6.26. DURATION OF OBLIGATION

The Contractor agrees that all of Contractor's obligations and warranties which directly or indirectly are intended by their nature or by implication to survive Contractor performance, do survive the completion of performance, termination for default, termination for convenience, or termination by mutual consent of the Contract.

6.27. ACCOUNTING SYSTEM AND AUDIT, ACCURATE INFORMATION

- 6.27.1. The Contractor certifies that all information the Contractor has provided or will provide to Loudoun Water is true and correct and can be relied upon by Loudoun Water in awarding, modifying, making payments, or taking any other action with respect to this Contract including resolving claims and disputes. Any false or misleading information is a ground for Loudoun Water to terminate this Contract for cause and to pursue any other appropriate remedy. The Contractor certifies that the Contractor's accounting system conforms to generally accepted accounting principles, is sufficient to comply with the Contract's budgetary and financial obligations, and is sufficient to produce reliable financial information.
- 6.27.2. Loudoun Water may examine the Contractor's and any first tier subcontractor's records to determine and verify compliance with the Contract and to resolve or decide any claim or dispute arising under this Contract. The Contractor and any first tier subcontractor must grant Loudoun Water access to these records at all reasonable times during the Contract term and for three (3) years after final payment. If the Contract is supported to any extent with federal or state funds, the appropriate federal or state authorities may also examine these records.

The Contractor must include the preceding language of this paragraph in all first tier subcontracts.

6.28. CONTRACT PRICE ADJUSTMENTS

Prices quoted are firm for a period of three (3) years after the execution of a Contract by Loudoun Water. Loudoun Water will consider only one price adjustment annually after the initial three (3) year term. A request for price adjustment from the Contractor will not be approved unless the Contractor submits to Loudoun Water sufficient justification and documentation to support the Contractor's request based on Contractor's increase in net costs in delivery of goods and services under the Contract. A request for any price adjustment may not be approved if it exceeds the lesser of five percent (5%) or the amount of the annual percentage change of the Consumer Price Index (CPI) for the twelve (12) month period immediately prior to the date of the request, based upon the CPI for all urban consumers issued for the Washington-Baltimore, DC-MD-VA-WV Metropolitan area, by the United States Department of Labor, Bureau of Labor Statistics for ALL ITEMS. A price adjustment may only be approved prospectively by a written Contract amendment executed by the Purchasing Manager or his designee.

6.29. NON-DISCLOSURE AND SECURITY

It will be mandatory for all personnel (primary Contractor and subcontractors) to sign the Non-Disclosure Statement (Attachment 18 – Sample Non-Disclosure Form). The Contractor will have access to Loudoun Water data that will be of a confidential or privileged nature. Loudoun Water reserves the right to update such policies as needed.

6.30. USE OF LOUDOUN WATER'S NAME

No advertising, sales promotion or other materials of the Contractor or its agents or representatives may identify or reference this Contract or Loudoun Water in any manner absent Loudoun Water's prior written consent. As a condition of entering into this Contract, the Contractor further agrees to refrain from the following, absent Loudoun Water's prior written approval: (a) making any statement to the media regarding the subject matter of this Contract; or (b) making any statement to the media on any issue which is in Loudoun Water's judgment likely to cause Loudoun Water or Loudoun Water staff to be viewed as anything other than neutral with respect to the subject matter of this Contract, or cast

doubt on the competence or integrity of Loudoun Water or the Contractor. Failure to comply with this requirement by the Contractor shall constitute a material breach and shall entitle Loudoun Water to terminate this Contract for default.

6.31. PERFORMANCE BOND

The Contractor awarded any resulting Contract for implementation services shall furnish to Loudoun Water a performance bond equal to the total sum of the Contract amount conditioned upon the faithful performance of the Contract in strict conformity with the plans, terms, conditions and specifications of the Contract.

6.32. LIQUIDATED DAMAGES

Loudoun Water and the Contractor acknowledge and agree that Loudoun Water will incur damages if the Contractor fails to meet the projected completion dates set forth in the Project Scope (Section 2.0 of this RFP) unless Loudoun Water agrees to such delays in writing. The parties further acknowledge and agree that the damages which might be reasonably anticipated to accrue as a result of failure to meet one or more the above are difficult to ascertain due to their indefiniteness and uncertainty. Accordingly, the Contractor agrees to pay liquidated damages at the following rate: a) \$1,000 per calendar day for each calendar day the Contractor is late in meeting the deadline set forth in the Project Scope for Phase 1 – CIS and Billing; b) \$500 per calendar day for each calendar day the Contractor is late in meeting the deadline set forth in the Project Scope for Phase 2 – Finance, Procurement, and Human Resources; c) \$250 per calendar day for each calendar day the Contractor is late in meeting the deadline set forth in the Project Scope for Phase 3 – E-Commerce; and d) \$250 per calendar day for each calendar day the Contractor is late in meeting the deadline set forth in the Project Scope for Phase 4a – Mobile Field Services. The liquidated damages set forth in the Contract will not be intended to compensate Loudoun Water for any damages other than inconvenience and loss of the System use. The existence or recovery of such liquidated damages shall not preclude Loudoun Water from recovering other damages which Loudoun Water can document as being attributable to the above referenced failures, including but not limited to the cost of internal staff hours or amounts paid to third parties as a result of such problem or delay.

6.33. LOUDOUN WATER NOT LIABLE FOR DELAYS

It is agreed that Loudoun Water shall not be liable to the Contractor, its agents or representatives or any subcontractor for or on account of any stoppages or delay in the performance of any obligations of Loudoun Water or any other party hereunder.

6.34. REGENERATION OF LOST OR DAMAGED DATA

With respect to any data which Contractor has lost or damaged, Contractor shall, at its own expense and to the extent possible, promptly replace or regenerate such data from Loudoun Water's machine-readable supporting material, or obtain, at Contractor's own expense, a new machine-readable copy of lost or damaged data from Loudoun Water's data sources. The Contractor shall not be responsible for any expenses that are the result of the failure of Loudoun Water to maintain backup data in accordance with Loudoun Water procedures, unless the Contractor caused such failure.

6.35. SEVERABILITY

In the event that any provision shall be adjudged or decreed to be invalid, such ruling shall not invalidate the entire Agreement but shall pertain only to the provision in question and the remaining provisions shall continue to be valid, binding and in full force and effect.

6.36. APPLICABLE LAWS/FORUM

This Contract shall be governed in all respects by the laws of the Commonwealth of Virginia. Any judicial action shall be filed in the Commonwealth of Virginia, County of Loudoun.

6.37. NOTICES

All notices and other communications hereunder shall be deemed to have been given when made in writing and either (a) delivered in person, (b) delivered to an agent, such as an overnight or similar delivery service, or (c) deposited in the United States mail, postage prepaid, certified or registered, addressed as follows:

**LOUDOUN WATER:**  
Attn: Procurement Division  
44865 Loudoun Water Way  
Ashburn, VA 20147

6.38. LICENSURE

To the extent required by the Commonwealth of Virginia (*see e.g.* 54.1-1100 *et seq.* of the Code of Virginia) or Loudoun Water of Loudoun, the Contractor shall be duly licensed to perform the services required to be delivered pursuant to this Contract.

6.39. CERTIFICATE OF AUTHORITY OR REGISTRATION

The Contractor shall maintain a valid certificate of authority or registration to transact business in Virginia with the Virginia State Corporation Commission, if required, during the term of the Contract or any Contract renewal.

6.40. WORK UNDER THE CONTRACT

Work may not commence under this Contract until all conditions for commencement are met, including execution of the Contract by both parties, compliance with insurance requirements, encumbrance of funds, and issuance of any required notice to proceed. The Contractor's work shall be continuous and uninterrupted throughout the Contract and the Contractor shall take all reasonable measures necessary to ensure timely delivery of work.

6.41. COUNTERPARTS

This Contract and any amendments or renewals hereto may be executed in a number of counterparts, and each counterpart signature, when taken with the other counterpart signatures, is treated as if executed upon one original of this Contract or any amendment or renewal. A signature by any party to this Contract provided by facsimile or electronic mail is binding upon that party as if it were the original.

6.42. NOT TO BENEFIT

As a prerequisite for payment pursuant to the terms of this contract, there shall be furnished to Loudoun Water a statement, that no employee of Loudoun Water, or members of his immediate family, including spouse, parents or children has received or has been promised, directly or indirectly, and financial benefits, by way of fee, commission, finder's fee or in any other manner, remuneration arising from or directly or indirectly related to a contract resulting from this RFP.

#### 6.43. RIGHTS OF LOUDOUN WATER

Loudoun Water reserves the right to accept or reject all or any part of any proposal, waive informalities and award the contract to best serve the interest of Loudoun Water.

### 7. SPECIAL TERMS AND CONDITIONS

#### 7.1. DEFINITIONS

7.1.1. Equipment: As used herein, the terms equipment, product, or system shall include hardware and software (when applicable) and any materials or supporting documentation. Such documentation may include but is not limited to: users' guides, operations manuals with part lists, copies of all applicable warranties, and any other pertinent information necessary for the proper operation and maintenance of the equipment being acquired.

7.1.2. Software: As used herein, the terms software, product, or software products shall include all related materials and documentation whether in machine readable or printed form.

#### 7.2. DATA SOURCES

Loudoun Water will provide the Contractor all available data possessed by Loudoun Water that relates to this Contract. However, the Contractor shall be responsible for all costs for acquiring other data or processing, analyzing or evaluating Loudoun Water data.

#### 7.3. EXCESSIVE DOWNTIME

If proposed solution is an Application Service Provider (ASP), the Contractor shall guarantee Loudoun Water twenty-four (24) hours of availability seven (7) days a week. Exceptions to this guarantee will be for Contractor's maintenance of the software/platform/services provided to Loudoun Water or the Contractor's overall system architecture. Contractor shall notify Loudoun Water via e-mail to assigned Loudoun Water first contact fourteen (14) days in advance of any outage scheduled outside of the daily hours of non availability. Contractor shall provide Loudoun Water the date and time any outage scheduled outside of the daily hours of non availability will begin and end. Contractor shall notify Loudoun Water of the

actual end of the outage. If an unplanned outage occurs or becomes necessary the Contractor shall notify Loudoun Water twelve (12) hours before or as soon as possible after the outage begins. Contractor shall notify Loudoun Water when the unplanned outage ends and when resumption of Loudoun Water operations is possible.

7.4. LATEST SOFTWARE VERSION

Any software product(s) provided under the Contract shall be the latest version available to the general public as of the due date of this solicitation.

7.5. MAINTENANCE

Contractor shall provide five (5) year maintenance cost. Those five (5) year costs shall be firm for the five (5) year term. Upon expiration of the specified initial warranty period Loudoun Water will issue annual purchase orders for the system maintenance. Price for any subsequent years after the initial five (5) year term may be negotiated at time of renewal based on the terms contained in Section 6.28. Each successive period of maintenance may be ordered by Loudoun Water in writing at least thirty (30) days prior to expiration of the existing maintenance period.

7.6. SOFTWARE UPGRADES

Loudoun Water shall be entitled to any and all upgraded versions of the software covered in the Contract that becomes available from the Contractor. These upgrades shall be at no cost to Loudoun Water and shall be included in the maintenance warranty and subsequent maintenance renewals.

7.7. SOFTWARE DISPOSITION

Unless otherwise instructed by the Contractor, Loudoun Water shall render unusable all copies of software acquired under the Contract within thirty (30) days of termination of its license; however, Loudoun Water shall reserve the right to retain one (1) copy of the software for archival purposes when appropriate.

7.8. CEASING OPERATIONS

If the Contractor chooses to cease supporting or hosting the system or Loudoun Water chooses to cease using the system, the Contractor shall provide Loudoun Water with all Loudoun Water data in a usable format. Contractor personnel are to provide full cooperation as requested by Loudoun Water on such matters. The data shall remain confidential.

7.9. TERM OF SOFTWARE LICENSE

Unless otherwise stated in the solicitation, the software license(s) identified in the pricing schedule shall be purchased on a perpetual basis and shall continue in perpetuity. However, Loudoun Water reserves the right to terminate the license at any time, although the mere expiration or termination of this Contract shall not be construed as intent to terminate the license. All acquired license(s) shall be for use at any computing facilities, on any equipment, by any number of users, and for any purposes for which it is procured.

7.10. THIRD PARTY ACQUISITION OF SOFTWARE

The Contractor shall notify Loudoun Water in writing should the intellectual property, associated business, or all of its assets be acquired by a third party. The Contractor further agrees that the Contract's Terms and Conditions, including any and all license rights and related services, shall not be affected by the acquisition. Prior to completion of the acquisition, the Contractor shall obtain, for Loudoun Water's benefit and deliver thereto, the assignee's agreement to fully honor the terms of the Contract.

7.11. TITLE TO SOFTWARE

The Contractor represents and warrants that it is the sole owner of the software or, if not the owner, that it has received all legally required authorizations from the owner to license the software, has the full power to grant the rights required by this solicitation, and that neither the software nor its use in accordance with the Contract will violate or infringe upon any patent, copyright, trade secret, or any other property rights of another person or organization.

7.12. WARRANTIES AGAINST SHUTDOWN DEVICES

The Contractor warrants that the equipment and software provided under the Contract shall not contain any lock, counter, CPU reference, virus, worm, or other device capable of halting operations or erasing or altering

data or programs. Contractor further warrants that neither it, nor its agents, employees, or subcontractors shall insert any shutdown device following delivery of the equipment and software.

#### 7.13. SECURITY REQUIREMENTS

For an Application Service Provider ASP solution to be accepted it shall meet the following conditions:

7.13.1. The Contractor's physical security systems, arrangements, policies and procedures shall be found sufficient to Loudoun Water.

7.13.2. The Contractor's IT security architecture, and procedures and access to hosted data procedures shall be acceptable to Loudoun Water

#### 7.14. OWNERSHIP OF INTELLECTUAL PROPERTY

All copyright and patent rights to all papers, reports, forms, materials, creations, or inventions created or developed in the performance of this Contract shall become the sole property of Loudoun Water. On request, the Contractor shall promptly provide an acknowledgment or assignment in a tangible form satisfactory to Loudoun Water to evidence Loudoun Water's sole ownership of specifically identified intellectual property created or developed in the performance of the Contract.

#### 7.15. LIMITATION OF USE

Loudoun Water's right to use computer software developed entirely at private expense may be limited by the Contractor as stipulated in this Contract. Notwithstanding any provision to the contrary however, Loudoun Water shall have at a minimum:

7.15.1. Use of the number of software seats Loudoun Water has purchased the license or usage fee for.

7.15.2. Contractor will transfer number of seats used by Loudoun Water to its secondary system without charge.

7.15.3. Contractor may be asked by Loudoun Water to maintain a backup copy for Loudoun Water use. Contractor shall in making

said backup copy adhere to standard fee schedule as listed in Contract.

- 7.15.4. The right to combine the software with other programs or materials at Loudoun Water's risk. Such combination will be permitted to the extent that the systems of the Contractor would not be at risk or harm by doing so.
- 7.15.5. The right to reproduce any and all documentation provided such reproduction is for the sole use of Loudoun Water. These rights will remain in force until the final closeout of the license or hosting agreement in the event of any actual or alleged breach by Loudoun Water, the Contractor's sole remedy shall be to pursue a monetary claim in accordance with **§ 2.2- 4363** of the *Code of Virginia*.

7.16. LOUDOUN WATER RIGHTS TO CONTRACTOR WORK PRODUCT /  
LOUDOUN WATER INTELLECTUAL PROPERTY RIGHTS

7.16.1. Definitions

When used in this Contract, the term "Intellectual Property Right" shall mean intellectual property and proprietary rights including, without limitation, all rights of inventorship and authorship, inventions, patents, patent applications, and know-how for any product, process, method, machine, manufacture, design, composition of matter, or any new or useful improvement, as well as copyrights, trademark, trade dress, and service mark rights and all rights in trade secrets, computer software, data and databases, and mask works.

7.16.2. Ownership of Information

- 7.16.2.1. Except as otherwise expressly provided in this Contract, all reports, information, data specifications, computer programs (including but not limited to design and operational components and source code), technical reports, operating manuals and similar work or other documents, all deliverables, and other work product first developed or authored by Contractor for Loudoun Water under this Agreement, and all

Intellectual Property Rights associated with the foregoing items (collectively, the "Work Product") shall be and remain the sole and exclusive property of Loudoun Water. Any general knowledge and skill gained by the Contractor through performance of the Services shall not be deemed to be Work Product, unless such knowledge or skill constitutes a Trade Secret or Confidential Information under this Agreement. Any Contractor works of authorship comprised within the Work Product shall be deemed to be "work made for hire," as that term is defined in the United States Copyright Act, 17 U.S.C. §101, and shall belong solely, irrevocably, and exclusively throughout the world to Loudoun Water. However, to the extent any court or agency should conclude that any such work of authorship does not constitute or qualify as a work made for hire, the Contractor hereby assigns, grants, and delivers (solely, irrevocably, exclusively, and throughout the world to Loudoun Water), all Intellectual Property Rights and other rights to the Work Product at issue, worldwide and for all applications and media, whether now known or developed in the future. The Contractor also agrees to cooperate with Loudoun Water and to execute such other further grants and assignments of all rights as Loudoun Water from time to time reasonably may request for the purpose of evidencing, enforcing, registering, or defending Loudoun Water's ownership of the Work Product.

7.16.2.2. Except as otherwise specified herein, no Work Product may be published, reproduced or used by Contractor in whole or in part, in any manner or form, without Loudoun Water's prior written consent. Contractor shall secure Loudoun Water's legal title and interests in and to all Work Product that is first produced by third parties for the Contractor pursuant to this Agreement.

7.16.2.3. The Contractor grants Loudoun Water an non-exclusive, perpetual, worldwide, fully paid up license to all reports, information, data, specifications, computer programs, technical reports, operating

manuals and similar work or other documents, all deliverables, and other work product not first developed for Loudoun Water under this Agreement but which is incorporated in the work furnished under this Agreement, and all Intellectual Property Rights associated with the foregoing items. Such rights include, but are not limited to, the right to reproduce, adapt, distribute, and use the work product and to create derivative works based on or incorporating such work product, for use by or for Loudoun Water. The Contractor agrees to place the source code and other necessary design and operational components of computer software work product licensed under this Agreement and documentation for such software into escrow pursuant to this Agreement.

### 7.16.3. Infringement and Performance Breach Remedies

7.16.3.1. If it is claimed that any work furnished under this Agreement, whether first developed by the Contractor for Loudoun Water or not, infringes any Intellectual Property Right or is otherwise unlawful, the Contractor agrees to defend or settle any such claim or suit at the Contractor's expense and to indemnify and hold Loudoun Water harmless from any losses, damages or harm, including attorney's fees and legal expenses, incurred as a result of such claim. Without Loudoun Water's prior written approval, the Contractor shall not accept any liability on Loudoun Water's behalf for the infringement, nor shall the Contractor reach a settlement that from Loudoun Water perspective impairs the value or usefulness of the work that is the subject of the infringement claim. The Contractor will also pay all damages and costs that by final judgment, settlement or other resolution are assessed against Loudoun Water due to such alleged or proven infringement and reimburse Loudoun Water for any direct damages suffered by Loudoun Water as a result of the infringement claim, including but not limited to attorney's fees.

7.16.3.2. The Contractor's obligation as set forth in this Section is expressly conditioned upon the following:

- 7.16.3.2.1. that the Contractor shall be notified promptly in writing by Loudoun Water of any claim or suit of which Loudoun Water is aware;
  - 7.16.3.2.2. that the Contractor shall have sole control of the defense or settlement of any claim or suit;
  - 7.16.3.2.3. that Loudoun Water, at the Contractor's expense, shall cooperate with the Contractor in all reasonable ways to facilitate the settlement or defense of any claim or suit; and
  - 7.16.3.2.4. that the claim or suit does not arise solely from modifications made by Loudoun Water to Contractor-provided work, without the Contractor's knowledge or approval.
- 7.16.3.3. If any work provided by the Contractor under this Contract becomes, or in the Contractor's opinion, is likely to become the subject of a claim of infringement, the Contractor will, at its option: (i) procure for Loudoun Water the right to continue using the applicable work; (ii) replace the work with a non-infringing product complying with the Contract specifications; or (iii) modify such work so it becomes non-infringing and performs in a manner that meets the Contract specifications. All payment obligations of Loudoun Water shall be suspended until Contractor provides one of the remedies described. Contractor also will reimburse Loudoun Water for any direct damages suffered as a result of the need to take any of the actions contemplated in this provision.
- 7.16.3.4. Contractor will indemnify and hold harmless Loudoun Water and its affiliates from any failure by the Contractor to fulfill its obligations to provide the System and services as required herein.

7.16.3.5. Contractor shall indemnify, defend, and hold harmless Loudoun Water and its affiliates, against any liability, demands, damages, expenses, and losses for death, personal injury, illness or property damage arising out of the Contractor's breach of its representations, warranties, or performance, or based on an alleged defect or design error in any element, part or combination thereof in the software.

7.16.4. Contractor Responsibilities  
Contractor is responsible for obtaining all assignments, agreements, licenses and grants from third parties as needed for the Contractor to meet its obligations under this provision. All such third-party assignments, agreements, licenses and grants shall be in writing and delivered to Loudoun Water.

7.17. NOTICE AND ASSISTANCE REGARDING INTELLECTUAL PROPERTY RIGHT INFRINGEMENT

7.17.1. The Contractor shall report to the Contracting Officer, promptly and in reasonable written detail, each notice or claim of Intellectual Property Right infringement based on the performance of this Contract of which the Contractor has knowledge.

7.17.2. In the event of any claim or suit against Loudoun Water, on account of any alleged Intellectual Property Right infringement arising out of the performance of this Contract or out of the use of any supplies or materials furnished or work or services performed hereunder, the Contractor shall furnish to Loudoun Water, when requested by the Contracting Officer, all evidence and information in possession of the Contractor pertaining to such suit or claim.

7.18. INSPECTION OF SERVICES

7.18.1. Definitions. "Services," as used in this clause, includes services performed, workmanship, and material furnished or utilized in the performance of services.

7.18.2. The Contractor shall provide and maintain an inspection system acceptable to Loudoun Water covering the services under this

Contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to Loudoun Water during Contract performance and for as long afterwards as the Contract requires.

7.18.3. Loudoun Water has the right to inspect and test all services called for by the Contract, to the extent practicable at all times and places during the term of the Contract. Loudoun Water shall perform inspections and tests in a manner that will not unduly delay the work.

7.18.4. If any of the services do not conform to Contract requirements, Loudoun Water may require the Contractor to perform the services again in conformity with Contract requirements at no increase in Contract amount. When the defects in services cannot be corrected by re-performance, Loudoun Water may

7.18.4.1. require the Contractor to take necessary action to ensure that future performance conforms to Contract requirements and

7.18.4.2. reduce the Contract price to reflect the reduced value of the services performed.

7.18.5. If the Contractor fails to promptly perform the services again or to take the necessary action to ensure future performance in conformity with Contract requirements, Loudoun Water may (a) by Contract or otherwise, perform the services and charge to the Contractor any cost incurred by Loudoun Water that is directly related to the performance of such service or (b) terminate the Contract for default.

## **8. METHOD OF AWARD**

### **8.1. EVALUATION OF PROPOSALS**

8.1.1. Loudoun Water shall make an award on the basis of best value. Best value is defined as a combination of quality, price, and the elements of required services that in total are optimal relative to Loudoun Water's needs.

- 8.1.2. Loudoun's evaluation process will be comprised of several phases:
- 8.1.2.1. Pre-Qualification Process (Ability to meet minimum qualifications Section 1.3)
  - 8.1.2.2. Phase I: Review of Written Proposals
  - 8.1.2.3. Phase II: Demonstrations, References
  - 8.1.2.4. Phase III: BAFO, Discovery, Contract negotiations
- 8.1.3. Loudoun Water has developed a tentative schedule for procurement process activities and reserved corresponding times on staff calendars.

Phase	Event	Date
Pre-Submission	Pre-Proposal Conference	July 7, 2011
	Deadline for Questions	July 21, 2011
	Proposals Due	August 11, 2011
Phase I – Review of Written Proposals	Proposal Evaluation	August, 2011
Phase II – Demonstrations, References	Functional demonstrations and interviews	August and September, 2011
	Site visits for elevated Offerors	September and October, 2011
Phase III – BAFO, Discovery, Contract Negotiations	Discovery sessions with elevated Offerors	September and October, 2011
	Contract Negotiations	October, 2011

## 8.2. SELECTION TEAM

- 8.2.1. A cross-functional team of Loudoun Water staff will comprise the Evaluation Selection Team, with representation from each of the functional areas identified herein as well as representation from Loudoun Water's Information Technology division. This team is responsible for evaluation and scoring of the proposals, offeror demonstrations, and other evaluation tasks that may include site visits.
- 8.2.2. A broader Advisory Group consisting of subject matter experts from Loudoun Water departments will be established to participate in various phases and provide input on specific modules that are being assessed. The Advisory Group members

will provide input to the Evaluation Selection Team on the specific modules they evaluate and the overall functionality of the solutions being considered.

- 8.2.3. The Evaluation Selection Team will make a procurement recommendation to the Project's Steering Committee.
- 8.2.4. Final contract award must be presented to Loudoun Water Board for approval.
- 8.2.5. Loudoun Water reserves the right to award the contract in phases or in total.

### 8.3. PRE-QUALIFICATION PROCESS

Offerors that do not demonstrate they meet the minimum qualifications outlined in Section 1.3 will not be considered for further evaluation. This determination will be at the sole discretion of Loudoun Water.

### 8.4. PHASE I – REVIEW OF WRITTEN PROPOSALS

- 8.4.1. For all proposals that meet the minimum qualifications as described in Section 1.3, this phase involves an assessment of the major strengths and weaknesses of each software/implementation proposal, including discussion of the extent to which each proposal meets the RFP requirements as evidenced by the information submitted in the proposal.
- 8.4.2. The goal of this phase is to identify the most responsive proposals for elevation to Phase II Demonstrations. The evaluation criteria to be used during this phase include the following (total of 100 points):
  - 8.4.2.1. Experience, qualifications, and financial health of software vendor and implementation firm in providing similar product/services to sites similar to the size and scope to Loudoun Water (20 points).
  - 8.4.2.2. Implementation strategy, staffing, and plan (15 points)

- 8.4.2.3. Response to all requirements contained in Section 4.0 Detailed Submittal Requirements (i.e. technical, functional, and reporting requirements, conversions, interfaces, etc.) (20 points)
  - 8.4.2.4. Compliance with RFP proposed terms and condition (5 points)
  - 8.4.2.5. Recent references at other water utilities.(10 points)
  - 8.4.2.6. Technical Architecture to ensure that the infrastructure of the application supports expansion, integration, and support. (10 points)
  - 8.4.2.7. Cost of System acquisition, ongoing maintenance and upgrades, and other cost components (20 points).
- 8.4.3. The Evaluation Selection Team will collectively develop a composite rating which indicates the group's collective ranking of the highest rated proposals in a descending order. The Evaluation Selection Team will conduct demonstrations with only the top ranked offerors, usually the top two (2) or three (3) depending upon the number and relative quality of proposals received.
- 8.5. PHASE II – DEMONSTRATIONS, REFERENCES
- 8.5.1. Functional Software Demonstrations
  - 8.5.2. The main objective of the demonstration phase will be to assess the extent the offeror's product will meet the business needs of Loudoun Water. These offerors elevated to this phase will be expected to spend at least three days demonstrating scenarios and exercises from "scripts" provided by Loudoun Water. Failure to follow the demonstration scripts will result in a less favorable evaluation. Loudoun Water will provide an Internet connection through Loudoun Water's Internet service provider if needed; however, access and/or response time problems may be experienced. Such access will be coordinated in advance upon request by the offeror. Each offeror should evaluate the

risks and consider supplying their own servers and network and plan accordingly.

- 8.5.3. These scripted demonstrations will be used to assess the following:
  - 8.5.3.1. Ability to successfully demonstrate the business requirements as required by the scripts.
  - 8.5.3.2. Ability to support Loudoun Water's business improvement goals.
  - 8.5.3.3. Ability to propose solutions to Loudoun Water's current and future needs.
  - 8.5.3.4. The flexibility offered by the System and its ease of use.
- 8.5.4. The demonstrations will be considered in the final evaluation of the proposal.
- 8.5.5. References will also be part of the evaluation criteria for Phase II. Loudoun Water will be seeking what other client's experiences have been with software and offeror performance and relationships, the ease and cost of upgrades and maintenance, and full-time staffing needs once implementation is complete. This phase may include site visits to other agencies by Loudoun Water to see successfully installed solutions.

#### 8.6. PHASE III – BAFO, DISCOVERY, CONTRACT NEGOTIATIONS

- 8.6.1. At the end of Phase II, selection shall be made of two (2) or more offerors deemed to be fully qualified and best suited among those submitting proposals, on the basis of the factors involved in the Request for Proposal. Negotiations shall then be conducted with each of the offerors so selected, including submission of best and final offer(s). Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each offeror so selected, Loudoun Water shall select the offeror, which, in its opinion, has made the best proposal and award the contract to that offeror. Should Loudoun Water determine in writing and in its sole discretion that only one offeror is fully qualified or that one

offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror.

- 8.6.2. Loudoun Water will ask for written clarification/updates to the initial proposal from the finalists, including any exceptions the offerors may have to contract conditions included in the RFP. Discovery sessions will allow all parties to seek clarification on project scope, expectations, and ask any needed questions. Negotiations with elevated offerors will seek any information Loudoun Water needs to satisfy concerns and issues and may include a review of certain software functionality and/or any aspect of the proposal where questions remain. Software licensing agreements will be reviewed in detail with these offerors, and exceptions to the proposed contract conditions will be reviewed and evaluated.
- 8.6.3. Once contractual issues are reviewed, Loudoun Water will move forward with one finalist upon the condition that the parties are able to agree upon a contractual Statement of Work. The offeror and Loudoun Water will jointly develop the Statement of Work, which must be approved by Loudoun Water. Software and implementation services agreements will be finalized. If agreement cannot be reached with the finalist offeror, Loudoun Water may elevate any of the other proposals submitted in response to the RFP for further evaluation and negotiations. Furthermore, Loudoun Water reserves the right to elevate any previously non-elevated offeror if Loudoun Water deems it in its best interest.

## 8.7. AWARD

As part of the award process, Loudoun Water reserves the rights to:

- 8.7.1. Accept or reject any or all proposals;
- 8.7.2. Waive any informality in proposals received;
- 8.7.3. Accept or reject any or all of the items in the proposal;
- 8.7.4. Award the contract in whole or in part and/or negotiate any or all items with individual offerors if it is deemed in Loudoun Water's best interest;

- 8.7.5. Make no selection if proposals are deemed to be outside the fiscal constraint or not in the best interests of Loudoun Water;
- 8.7.6. Waive any irregularities and technicalities and may, at its sole discretion, request a clarification or other information to evaluate any or all proposals;
- 8.7.7. Prior to awarding the contract, require offerors to submit evidence of qualifications or any other information Loudoun Water may deem necessary;
- 8.7.8. Prior to award cancel the RFP or portions thereof, without penalty.

## 9. ATTACHMENTS

- Attachment 1 RFP Instruction Summary Table
- Attachment 2 RFP Submittal Checklist
- Attachment 3 Certifications and Signature of Offeror
- Attachment 4 Company Background
- Attachment 5 Software Reference Form
- Attachment 6 Implementation Services Reference Form
- Attachment 7 Not Used
- Attachment 8 Pricing
- Attachment 9 Price Summary by Phase
- Attachment 10 Maintenance and Support Summary
- Attachment 11 Staffing Matrix
- Attachment 12A Functional Requirements
- Attachment 12B Technical Requirements
- Attachment 13 Reporting Requirements
- Attachment 14 List of Interfaces
- Attachment 15 List of Anticipated Conversions
- Attachment 16 Application Inventory
- Attachment 17 Pre-Submission Question Submittal Form
- Attachment 18 Sample Non-Disclosure Form
- Attachment 19 IT Architecture Plan
- Attachment 20 Internet Website Accessibility