

General Instructions to Suppliers

The following terms, conditions and instructions apply to all Knoxville's Community Development Corporation's (KCDC) solicitations whether they are quotations, bids, proposals, requests for qualifications or other types of solicitations unless excluded within a specific solicitation. The term "supplier" means bidder, vendor, proposer, quoter, contractor and all other terms implying or meaning one who is responding to an opportunity with KCDC. The submission of a response means that the supplier understands and agrees with KCDC's "General Instructions to Suppliers." Suppliers will clearly note any variance in the submittal document. KCDC will be the sole judge as to whether the variance is "material" or "immaterial" to the solicitation.

1. Acceptance

Suppliers shall hold their price firm and subject to acceptance by KCDC for ninety calendar days from the opening date unless otherwise indicated by KCDC.

2. Additional Services

Upon receiving an award, the successful supplier may inform KCDC of additional services they can provide. However, adding those services to the award requires Procurement Division approval.

3. Alterations or Amendments

Alterations, amendments, changes, modifications or additions to the resulting purchase order or award are not binding without KCDC's prior written approval.

4. Anti-Lobbying Amendment

Suppliers who submit responses must sign KCDC's anti-lobbying affidavit (in the solicitation document). Suppliers shall require each subcontractor and each lower-tier subcontractor exceeding \$100,000 to certify to the tier above that it will not and has not used federally appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal contract, grant or award covered by 31 U.S.C. 1352. Such disclosures are forwarded from "tier to tier" up to the Contractor to be submitted to KCDC.

5. Appropriation

If KCDC's Board does not appropriate funds for the goods and/or services or insufficient funds exist to purchase the goods and/or services, awards and/or contracts shall terminate upon the expenditure of previously appropriated funds with no further obligations owed to or by either party.

6. Artificial Intelligence

- a. Suppliers must disclose the use of Artificial Intelligence (AI) technologies in the development, delivery or on-going performance of goods or services being proposed. This includes but is not limited to:

- AI assisted tools used in preparing the proposal itself
- AI systems or tools embedded in or supporting the proposed solution
- AI tools used in service delivery, decision making or customer interactions

For each identified AI usage, indicate:

- AI's Purpose (e.g. automation, analytics, content generation, customer service)
 - Extent of AI Involvement (e.g. primary component or supporting)
 - Level of Human Oversight (how do humans review, monitor and control)
 - Data Usage and Privacy (how is data collected, used, stored and protected)
 - Vendor Responsibility (acknowledge that the proposer remains fully responsible for the quality, performance and legal compliance of AI tools used)
- b. Suppliers are notified that KCDC may use AI's assistance in drafting specifications and in solicitation response review. KCDC does not rely on AI alone and always follows up with human review of documents and evaluations.

7. Assignment/Subcontracting

Supplier shall not assign the agreement, its obligations or rights hereunder to any party, company, partnership, incorporation or person without KCDC's prior written specific consent. Any such assignment or any interest or any money due or to become due without KCDC's prior written consent shall be void.

8. Award/Rejection of Responses

- a. KCDC awards to the highest rated, responsible supplier that is in KCDC's best interest. KCDC reserves the right to reject all responses and to waive any informality in the responses received whenever KCDC determines that such rejection or waiver is in KCDC's best interest.

- b. KCDC reserves the right to reject responses from any supplier who has previously failed to perform properly or to complete work or contracts of a similar nature on time; who is not able to perform the work; or who has habitually and without cause neglected the payment of bills or otherwise disregarded its obligations to other suppliers, subcontractors and/or employees.
- c. KCDC will check all respondents against State of Tennessee and federal debarment databases as well as any additional checks that KCDC determines are prudent. Any listing on these showing an active debarment or other substantial negatives is sufficient grounds for KCDC to reject the offer from the supplier.

9. Award Results

As soon as practicable after evaluation, KCDC will post the award decision and the proposal tabulation to its website. KCDC does not typically provide individual notices to suppliers.

10. Background Checks and Drug Screening

Suppliers providing services at KCDC sites must perform background checks, including drug screening, for all employees who may perform work at KCDC sites. Additionally, the supplier will maintain an adequate continual education program concerning harassment, drug free workplace and related topics.

11. Books and Records

- a. The supplier shall maintain all books, documents, accounting records and other evidence pertaining to the goods and services provided under an agreement and/or contract and make such materials available at its offices at all reasonable times during the contract period and for three years (and as required by federal law and/or state regulations) from the date of the final payment under an agreement or contract.
- b. This shall be for inspection by KCDC or any other governmental entity or agency participating in the funding of an agreement or contract, or any authorized agent thereof. Upon request, the supplier shall furnish copies of said records. Such records shall include those books, documents, payroll and accounting records that represent the supplier's costs of manufacturing, acquiring or delivering the products and services governed by an agreement or contract.

12. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended, apply to contracts of \$150,000 or more. The supplier will comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

All contracts must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201).

13. Compliance with All Laws

Suppliers will comply with all federal, state and local laws, statutes, ordinances and regulations affecting the provision of goods and/or services, and all instructions and prohibitive orders issued regarding the work and shall obtain all necessary permits.

14. Confidentiality of Data, Property Rights in Products and Copyright Prohibition

The supplier agrees that all information, data, findings, recommendations, bids, et cetera by whatever name described and in whatever form secured, developed, written or produced by the supplier in furtherance of this contract are KCDC's property. The supplier shall take such action as is necessary to preserve KCDC's property rights while such property is within the control and/or custody of the supplier. The supplier specifically waives and/or releases to KCDC any cognizable property right of the supplier to copyright, license, patent or otherwise use of such information, data, findings, recommendations, responses, et cetera. The supplier understands and agrees that data, materials and information disclosed to the supplier may contain confidential and protected data. Therefore, the supplier promises and assures to not disclose or discuss KCDC's data, material and information gathered, based upon or disclosed to the supplier for this contract, without KCDC's prior written consent.

15. Contact Policy

- a. From the issuance of a solicitation until an award, the supplier shall not contact anyone other than the KCDC Procurement Division about the solicitation unless otherwise directed by Procurement Division staff.
- b. Information obtained from anyone other than the KCDC Procurement Division shall not affect the risks or obligations assumed by the supplier or relieve the supplier from fulfilling any of the conditions of the agreement and/or contract for a project. Such unauthorized contact can disqualify the supplier from participation in the solicitation process.
- c. Suppliers must submit all questions pertaining to the solicitation and/or its documents to the Procurement Division through its bidding portal.

16. Contract Work Hours and Safety Standards Act

- a. Overtime Requirements: Suppliers and subcontractors contracting for any part of the work which may require or involve the employment of laborers or mechanics shall not require or permit any such laborer or mechanic in any workweek in which he or she is

employed on such work to work in excess of forty hours unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

- b. Violation; Liability for Unpaid Wages; Liquidated Damages: In the event of any violation of the clause set forth in paragraph (A) of this provision, the supplier and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such supplier and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this provision, in the sum currently set by federal law, for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in subparagraph (A) of this provision.
- c. Withholding for Unpaid Wages and Liquidated Damages: KCDC shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the supplier or subcontractor under any such contract or any other federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (B) of this provision.
- d. Compliance with OSHA Regulations: The supplier agrees to comply with section 107 of the Contract Work Hours and Safety Standards Act, 40 U.S.C. 333, and applicable Department of Labor regulations, "Safety and Health Regulations for Construction" 29 CFR 1926. The Contractor agrees that it will not require any laborer or mechanic to work in unsanitary, hazardous or dangerous surroundings or working conditions.
- e. Subcontracts: The supplier or subcontractor shall insert in subcontracts the paragraphs set forth in this provision, Contract Work Hours and Safety Standards Act, and a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The supplier is responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in this provision.
 - 1. The term "subcontract" refers to a person who agrees to perform any part of the labor or material requirements of a contract for construction, alteration or repair.

A person who undertakes to perform a portion of a contract involving the furnishing of supplies or materials will be considered a "subcontractor" under this provision if the work in question involves the performance of construction work and is to be performed (1) directly on or near the construction site, or (2) by the employer for the specific project on a customized basis. Thus, a supplier of materials, which will become an integral part of the construction is a "subcontractor" if the supplier fabricates or assembles the goods or materials in question specifically for the construction project and the work involved may be said to be construction activity.

2. If the goods or materials in question are ordinarily sold to other customers from regular inventory, the supplier is not a "subcontractor." The requirements of this section do not apply to contracts or subcontracts for the purchase of supplies or materials normally available on the open market.

17. Contracts

- a. When appropriate, KCDC posts a sample contract and contract rider to its website for suppliers to review. While these are sample documents, actual contracts and riders will be similar in format. By responding to a solicitation, suppliers certify they have reviewed the sample contract and rider and are comfortable signing a similarly formatted contract in the event they receive the award. If there are questions about the contract form and requirements, the suppliers must raise questions during the solicitation process.
- b. If KCDC must sign the supplier's contract document, note:
 - KCDC cannot indemnify the supplier
 - KCDC cannot "hold harmless" the supplier
 - KCDC requires a copy of the proposed contract with easy-to-read formatting of text. This may be provided in addition to the standard contract simply for KCDC's ease of reading.

18. Cooperative Procurement

- a. KCDC may use properly awarded solicitations from other governmental agencies in lieu of issuing its own solicitations-provided such language was in the solicitation and that it is in KCDC's best interest. Usage of cooperative contracts occurs only after KCDC's Procurement Division has reviewed and approved of the proposed cooperative contract.
- b. KCDC often asks suppliers to indicate whether other governments may use the award at the same price (plus any delivery charges added due to distance).

In such cases, the supplier may, without harming their award, refuse to extend the terms to other governments. If the supplier extends the terms to other governments, the transactions are solely between the other government and the supplier.

19. Debriefing

If requested, KCDC staff will conduct a debriefing meeting to discuss an award decision. If you are interested in such a meeting, contact the KCDC Procurement Division.

20. Delivery

All deliveries shall be to the designated KCDC property, and they must be Free on Board (FOB) Knoxville, Tennessee with all delivery, handling, surcharges and other charges included in the submitted price. Failure to do so may cause rejection of the response. KCDC does not pay surcharges without prior written agreement.

21. Employees

- a. Suppliers shall not, directly or indirectly, solicit for employment, or advise, suggest or recommend to any other person that they solicit for employment, any KCDC employee.
- b. Suppliers shall, before employing a former KCDC to work on any KCDC property, contact KCDC's Procurement Division for guidance. KCDC's guidance could include a request not to use the former employee on KCDC's property.
- c. KCDC may, upon its determination of need, request that any supplier employee no longer work on KCDC property.

22. Expenses Incurred

All expenses incurred in the preparation and submission of a response to a solicitation are borne by the supplier.

23. Failure to Enforce

Past failure to enforce a contract provision does not mean that KCDC has waived its rights to enforce said provision or any other provision.

24. Federal Obligation

The federal government is not a party to KCDC's solicitation and is not subject to any obligations or liabilities to KCDC, supplier or any other party pertaining to any matter resulting from its award.

25. **Federally Required Orders/Directives**

Both parties agree that they will comply with the following laws and directives that KCDC has received from HUD and other branches of the federal government. These orders and/or directives shall be a part of any award and/or contract:

- a. Executive Order 11061, as amended, directs the Secretary of HUD to take all necessary and appropriate actions to prevent discrimination by agencies that utilize federal funds.
- b. Executive Order 11246: "Equal Employment Opportunity."
- c. The Age Discrimination Act of 1975.
- d. Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).
- e. Copeland "Anti-Kickback" Act.
- f. Energy Policy and Conservation Act.
- g. Equal opportunity clause (41 CFR §60-1.4(b)) prohibiting workplace discrimination and its application to both prime and subcontractors.
- h. Lead Based Poisoning Prevention Act (42 U.S.C. 4821-4846 as implemented by 24 CFR Part 35).
- i. The Solid Waste Disposal Act (24 CFR 85.36(1) and Section 6002)
- j. Public Law 88-352, Title VI of the Civil Rights Act of 1964.
- k. Public Law 90-284, Title VIII of the Civil Rights Act of 1968, popularly known as the Fair Housing Act.
- l. **Made in America Requirements**
When KCDC uses federal funds to acquire, remodel or otherwise improve its housing, suppliers are required to use iron, steel, manufactured products, and construction materials that are produced in the United States in a manner that complies with the Build America, Buy America (BABA) requirement for federally funded projects that involve construction, alteration, maintenance, or repairs. Upon the placement of an order for housing units funded through an allocation from the federal government, the supplier will be required to sign a BABA affidavit. For more information about BABA requirements and authorization, visit the White House website: [Made in America](#) .

26. Governing Law

27. HUD Forms/Documents

Go to [HUDClips | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#) to access these documents. If you cannot find the document there or if you need assistance, contact procurementinfo@kcdc.org.

- Page 9 of 23

- f. HUD Form 5370C - General Conditions for Non-Construction Contracts-Section I (with or without Maintenance)

Applicability:

1. Non-construction contracts (without maintenance) greater than \$100,000 - use Section I.
2. Maintenance contracts (including non-routine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II.
3. Maintenance contracts (including non-routine maintenance), greater than \$100,000 – use Sections I and II.

- g. HUD Form 5370EZ - General Conditions of the Contract for Small Construction

Applicability: Construction contracts greater than \$2,000 but not more than \$100,000.

28. Indemnification/Hold Harmless

- a. Supplier shall indemnify, defend, save and hold harmless KCDC, its officers, agents and employees from all suits, claims, actions or damages of any nature brought because of, arising out of, or due to breach of the agreement by the supplier, its subcontractors, suppliers, agents or employees or due to any negligent act or occurrence or any omission or commission of supplier, its subcontractors, suppliers, agents or employees.
- b. Under Tennessee state law, KCDC cannot agree to hold suppliers harmless nor to indemnify suppliers.

29. Independence

The supplier acknowledges that it and its employees serve KCDC as independent suppliers and not as employees.

30. Informalities

KCDC reserves the right to waive informalities and irregularities as minor defects in a solicitation response or variations from the exact requirements of the solicitation provided the defects or variations do not affect the price, quality, quantity or delivery of the service.

31. Inspection

The supplier is responsible for thoroughly inspecting the site of the proposed work and for becoming completely familiar with the work circumstances. The supplier's failure to do so will not obligate KCDC to pay more for goods or services.

32. Insurance

- a. KCDC's solicitation document may include specific insurance requirements. If so, the supplier will provide KCDC with a Certificate of Insurance matching those requirements. Suppliers must review the insurance requirements with their insurance agents and attest that they can provide the required insurance.
- b. Should the certificate expire during the term of the award, the supplier is responsible for providing an updated certificate before the expiration date. KCDC will not permit suppliers to work until an acceptable certificate of insurance is in place.

33. Interest of Current and Past Members, Officers or Employees

KCDC officers, employees, Board of Commissioners and other public officials having responsibilities over the awarded project shall not, during their tenure and for one year thereafter, have any interest, direct or indirect, in a contract, agreement or purchase order or the proceeds from such business arrangements.

34. Interpretations

KCDC is not responsible for oral interpretations of specifications. Submit written requests for interpretation as indicated in the solicitation document. KCDC posts addenda (official changes to specifications) to its website ([Procurement - KCDC](#)). It is the supplier's responsibility to examine the website for addenda. All such addenda become part of the contract and bind suppliers to such addenda.

35. Invoicing

KCDC's Invoicing Standards are at [Microsoft Word - Invoicing Instructions 010625.docx](#). The supplier's submittal or honoring of a purchase order means acceptance of KCDC's invoicing standards.

36. Knoxville/Knox County Obligations

The City of Knoxville and Knox County are not parties to KCDC's purchase orders and contracts. Therefore, they are not subject to any obligations or liabilities to a contractor or any other party pertaining to any matter resulting from its purchase orders and contracts.

37. Limitation of Liability

KCDC is not liable for any indirect, incidental, consequential, special or exemplary damages or lost profits, even if KCDC has been advised of the possibility of such damages.

38. News Releases

KCDC does not endorse the services of suppliers. Suppliers will not make news releases concerning any resultant contract from a solicitation without KCDC's prior written approval.

39. Non-Conforming Terms and Conditions

Should a supplier submit non-conforming terms and conditions, KCDC reserves the right to request the supplier to withdraw non-conforming terms and conditions that do not materially affect the price, quality and/or delivery of the goods and/or services. KCDC also reserves the right to reject responses with non-conforming terms and conditions.

40. Non-Discrimination and Non-Conflict Statement

- a. The supplier agrees not to exclude persons on the grounds of handicap, age, race, color, religion, sex or national origin from participation in, or deny benefits to, or otherwise subject to discrimination in the performance of an agreement, or in the employment practices of the supplier.
- b. The supplier shall post notice of such non-discrimination and shall post it in a conspicuous place available to all employees and applicants. The supplier covenants that it complies with the Fair Wage and Hour Laws, the National Labor Relations Act and other federal and state employment laws as applicable. The supplier covenants that it does not engage in any illegal employment practices.
- c. The supplier covenants that it has no public or private interest and shall not acquire directly or indirectly any interest that would conflict in any manner with the provision of its goods or performance of its services.
- d. The supplier warrants that no part of the total contract amount provided herein shall be paid directly or indirectly to any officer or employee of KCDC as wages, compensation or gifts in exchange for acting as an officer, agent, employee, subcontractor or consultant to the supplier in connection with any goods provided or work contemplated or performed relative to an agreement and/or contract.
- e. **Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.)** “Nondiscrimination in Federally Assisted Programs” states “No person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity receiving federal financial assistance.”
- f. **Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.)** prohibits employers from discriminating against employees based on sex, race, color, national origin and religion. It generally applies to employers with 15 or more employees, including federal, state and local governments. Title VII also applies to private and public colleges and universities, employment agencies and labor organizations.

- g. KCDC's policy requires that all its services and activities be administered in conformance with the requirements of Titles VI & VII. This extends to the suppliers that KCDC awards/contracts with. Suppliers must be compliant with Titles VI and VII.

41. Non-Escalation

Unless otherwise specified within the solicitation, the prices reflected in the agreement and/or contract shall remain firm with no provision for price increases during the term of the contract.

42. Open and Fair Opportunities

During the term of an award, the supplier shall not create barriers to open and fair opportunities to participate in KCDC contracts or to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services. During the performance of an award, neither the supplier nor any party subcontracting under the authority of the award shall discriminate nor tolerate harassment based on race, color, sex, religion, nationality, creed, marital status, sexual orientation, age or the presence of any sensory, mental or physical disability in the employment or application for employment or in the administration or delivery of services or any other benefits under the award.

43. Order of Precedence

Any inconsistency in solicitations or contracts shall be resolved by the following precedence order:

- The signed contract or purchase order
- The solicitation document and any addenda thereto
- Signed copy of the bid or proposal
- General conditions/instructions/information
- General Instructions to Suppliers
- Supplemental conditions (if any)
- Special conditions (if any)
- Technical specifications (if any)
- Drawings (if any)

44. Payment

- a. KCDC pays suppliers electronically via direct deposit (ACH). Additional information is on KCDC's website.
- b. Payments occur weekly on Thursdays - provided the supplier provides invoices in accordance with all requirements outlined herein; however, this does not mean that KCDC pays any one invoice the same week that it is received. KCDC maintains the right to pay invoices on a net 30 day basis.

Before KCDC issues a payment, the KCDC staff member responsible for the purchase must approve payment (indicating that the goods or services were satisfactory) and thus authorize Accounts Payable to issue payment. Accounts Payable and the ordering department must have time to verify that the invoice reflects the correct contract pricing. Payments for ongoing services (such as construction contracts) occur once per month.

- c. KCDC asks for a prompt payment discount percentage in its solicitations. Suppliers may indicate no discount or any discount they may offer.

45. Procurement Methods

KCDC uses a variety of procurement methods to achieve its procurement needs. Each method has its own requirements and details are below. For additional information, contact the Procurement Division.

- a. Request for Written Quotes

For goods and services valued at more than \$20,000 but no more than \$50,000, KCDC must obtain quotes from three or more suppliers. However, as part of KCDC's outreach to small businesses, these opportunities are sometimes posted to KCDC's website for all interested parties to consider. Although the request for quotes is in written format, these are still quotes and not formal solicitations. They tend to be shorter documents and have shorter timeframes. Formal solicitation rules do not apply, though federal Davis Bacon rules and state licensing laws may still apply. Requests for Written Quotes can also take the form of proposals (see below).

- b. Invitation for Bids

For goods and services valued at more than \$50,000, sealed solicitations are required. These documents typically are longer and a minimum of fifteen days for supplier response is given. All the formal solicitation rules apply. Typically, KCDC evaluates these solicitations solely on cost, but the solicitation document details the evaluation criteria.

- c. Request for Proposals

If there are factors other than cost that will determine the successful supplier, this method is used. These documents typically are longer and ask for non-pricing information from the supplier. If it exceeds \$50,000, all the formal solicitation rules apply.

- d. Request for Qualifications

This method is used only to hire architects and engineers. State and federal laws require that costs not be initially considered in the selection process. Instead, qualifications alone are used to arrive at the "best" supplier. Then cost negotiations begin with the highest-scoring supplier.

General note to thresholds: KCDC looks at purchases cumulatively (by supplier, by commodity and by year) to determine the appropriate procurement method to use.

e. Request for Information.

When KCDC issues a Request for Information (RFI), the process is only an information gathering technique. An RFI is not an indication that KCDC will purchase or solicit for the goods or services. An RFI is not binding nor is it any form of commitment.

f. Reverse Auctions

An online auction in which sellers compete against one another to win a buyer's business. Typically used to purchase commodities from multiple pre-qualified providers. Also referred to as "eAuction."

46. Program Fraud/False Statements or Related Acts

31 U.S.C. Chapter 38 (Administrative Remedies for False Claims and Statements) applies to the supplier's actions pertaining to all solicitations and awards.

47. Proof of Financial and Business Capability

Suppliers shall provide, upon request, satisfactory evidence of their ability to furnish products or services in accordance with the terms and conditions of a specification. KCDC shall make the final determination as to the supplier's ability.

48. Proprietary Information

KCDC operates under Tennessee's Open Records Act and all information in KCDC's possession is subject to disclosure upon request. This applies whether the supplier has stamped such information as "confidential," "proprietary" or other similar phrases.

49. Protests

- a. This section applies only to "formal sealed solicitations." Requests for written quotes are not formal solicitations, and protest procedures do not apply. Suppliers may protest the process or award of formal solicitations for serious violations of KCDC's procurement policy. KCDC must receive process protests at least 72 hours before the solicitation's due date.
- b. Award protests must be received within five calendar days after award (i.e., when results are posted to KCDC's website), or the protest will not be considered. Protests must be in writing and submitted to the Procurement Director.
- c. The Procurement Director may suspend the procurement pending resolution of the protest if warranted by the facts presented. KCDC will advise the protestor as soon as possible in writing as to the action taken.

d. Protests shall include, as a minimum, the following information:

1. Names, addresses and telephone number(s) of the protestor(s).
2. The solicitation number and project title.
3. A detailed statement of the basis for the protest.
4. Supporting evidence or documents to substantiate any arguments.
5. The form of relief requested (e.g. reconsideration of their offer).

e. Appeals

If a protestor is not satisfied with the Procurement Director's decision, he or she may appeal to the Executive Director/CEO. Such appeals shall be in writing (see above) and must be submitted within five business days after the Procurement Director's written decision is released. The written documentation is to include language that details how the initial written decision is in error.

50. Purchase Orders or Contracts are Required

KCDC requires (though there are exceptions - check with the Procurement Division for details) the issuance of a purchase order (not merely a purchase order number) or a signed contract before work commences or goods delivered. Purchase orders are delivered from KCDC's software system (Yardi) via email. If a supplier is instructed to deliver goods or services without a purchase order or contract, the supplier is to contact the Procurement Division for a decision as to whether to proceed or not.

51. Recycled/Recovered Products

- a. To the extent practicable and economically feasible, suppliers shall provide a competitive preference for products and services that conserve natural resources and protect the environment and are energy efficient.
- b. Such products may include, but are not limited to, products described in U.S. Environmental Protection Agency (U.S. EPA) guidelines at 40 C.F.R. Parts 247-253, implementing section 6002 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6962. Suppliers shall include this provision in all their subcontracts, with the requirement that it shall flow down to all subcontracts regardless of tier.
- c. These efforts must be consistent with maintaining a satisfactory level of competition unless the supplier determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

52. Requirements Contracts

Unless otherwise specified, any requirements contracts/agreements shall be an “open-end” type of agreement with no guarantee that KCDC will require any specified or minimum level of products or services. KCDC reserves the right to purchase these goods/services elsewhere if it is in KCDC’s best interest.

53. Restrictive or Ambiguous Specifications

It is the supplier’s responsibility to review the entire solicitation packet and to notify the Procurement Division if the specifications unnecessarily restrict competition or are conflicting or ambiguous. The Procurement Division must receive any such question, in writing, regarding the specifications or solicitation procedures with enough time remaining before the opening for an addendum to be issued. Typically, such information must be supplied to Procurement at least five business days prior to the solicitation’s due date.

54. Right to Inspect

KCDC reserves the right to make inspections of service provision and/or the supply of goods.

55. Rights in Data and Patent Rights

KCDC has exclusive ownership of all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by the supplier pursuant to the terms of the agreement and/or contract, including but not limited to, reports, memoranda and/or letters concerning the research and reporting tasks of the agreement and/or contract.

56. Royalties and Patents

- a. The supplier guarantees that he or she has full legal rights to inventions, materials, supplies, equipment, machinery, articles, software and other items involved in the contract. The award and/or contract price shall include compensation for all royalties and costs arising from patents, trademarks and copyrights that are, in any way, involved in the award and/or contract. It is the supplier’s responsibility to pay for all such royalties and costs.
- b. During the pendency of any claim against a supplier or KCDC with respect to supplier's ownership and/or authority, KCDC may withhold payment of any sums otherwise owed hereunder. The supplier will hold harmless and indemnify KCDC, its employees, agents and officers for trademark, intellectual property infringement and copyright infringements that the supplier causes during performance of the work.

57. Section 3 of the Housing & Urban Development Act of 1968

- a. Certain contracts awarded are subject to Section 3 requirements. If Section 3 requirements apply, the information will be in the solicitation document. Suppliers shall seek to fill any and all positions that are needed and unfilled with residents of KCDC communities. For additional information, go to [Section 3 - HUD Exchange](#). Upon award, the successful supplier will complete a Section 3 project plan for KCDC. The successful supplier will supply KCDC with job announcements for any positions that must be filled as a result of the award of KCDC work.
- b. Additionally the successful supplier will supply the same job announcement to the Knoxville-Knox County Community Action Committee's (CAC) Workforce Connections group. More information is available at [Workforce Connections Annual Report 2008-2009 - Knoxville Knox County CAC](#).

58. Small Business Goal

KCDC has a goal of contracting with qualified small businesses for at least 20% of its annual dollar expenditure for goods and services. A small business is defined as a business that is a continuing, independent, for-profit business that performs a commercially useful function with residence in Tennessee and has total gross receipts of no more than \$10,000,000 averaged over a three-year period OR employs no more than 99 persons on a full-time basis.

59. Small Business Meeting

If one or more firms specifically request or if KCDC staff members determine that the need exists, a meeting shall be scheduled and held within seven calendar days after the publication of a formal solicitation to review KCDC's procurement policies and procedures and/or to review solicitation requirements.

60. Small Businesses Outreach

KCDC desires to conduct as much business as possible with minority, veteran and women-owned businesses. These businesses are at least 51% owned and operated by a minority, veteran or woman. KCDC also encourages its suppliers when they subcontract to utilize minority and/or women-owned businesses. To assist the supplier in finding Minority and Women -Owned Businesses, KCDC provides these sites that list minority-owned (MOB) businesses, veteran owned (VOB) and women-owned (WOB).

- a. **Centro Hispano de East Tennessee:**
<https://www.centrohispanotn.org/>
- b. **City of Knoxville:**
[Supplier Outreach Program - City of Knoxville](#)

- c. **Knoxville Black Business Directory:**
<https://www.knoxvilleblackbusiness.com/>
- d. **Tennessee Latin American Chamber of Commerce:**
tlacc.org
- e. **State of Tennessee:**
[Governor's Office of Business Initiatives and Development](#)
- f. **Tennessee Minority Supplier Development Council:**
[About - TMSDC](#)

Suppliers are strongly encouraged to use the information on these websites and then, as appropriate, obtain quotes from MOB, VOB and WOB.

61. Solicitation Delivery

Specific instructions for solicitation delivery are on the cover page of each solicitation. It is the supplier's responsibility to follow those instructions. KCDC will not accept late responses (delivered after the indicated due date and time).

62. Solicitation Evaluation

To verify that suppliers have adequately incorporated all elements of the work and the requirements of the solicitation documents in the offered price, the supplier shall, upon KCDC's request, promptly make available for KCDC's review, a complete itemization and breakdown of the total offered amount, a description of the supplier's understanding of the work and a proposed schedule. Prior to the award, the supplier and any or all subcontractors may be required to attend an evaluation meeting with KCDC, and the supplier shall bring any requested documentation to the meeting. In the event the supplier refuses to supply the documentation discussed in this section or refuses to attend the meeting, KCDC may reject the submittal as non-responsive.

63. Solicitation Meetings

- a. Some solicitations call for meetings during the process. While KCDC believes there is value in attending KCDC's pre-solicitation meetings, these meetings are very seldom mandatory. KCDC will post the sign-in sheets from these meetings to its website shortly after the meeting.
- b. Generally, pre-solicitation meetings are conducted through electronic means (such as the Teams platform). At times, they are held at the site. On occasion, pre-solicitation meetings start at KCDC's Main Office Complex and conclude at the site. Consult the information on the solicitation's cover page for details.

64. Subcontractors

- a. The supplier may sublet portions of the work, however, KCDC must approve subcontractors prior to commencing work. Additionally, KCDC must approve changes in subcontractors used.
- b. Subcontractors shall conform, in all respects, to the applicable provisions specified herein for the supplier and shall be subject to KCDC's approval. The supplier shall not employ any subcontractor, either initially or as a substitute, against whom KCDC has a reasonable objection.
- c. Subcontractors shall be under the sole direction, authority and responsibility of the supplier and the supplier shall take all steps necessary to ensure that subcontractors comply with the requirements. The work to be done by the subcontractors shall be outlined in detail by the supplier. Suppliers are responsible for all acts and omissions of their suppliers, subcontractors and others performing or furnishing any of the work directly or indirectly on behalf of the supplier.
- d. Subcontractors must also:
 - Not be on state or federal debarment lists.
 - Carry the insurance coverages as outlined in the solicitation document.
 - Comply with all Davis Bacon requirements that may apply to a project. If Davis Bacon requirements apply, suppliers and contractors may be required to submit weekly certified payrolls on paper (not emailed) or on-line software use as Elation.

65. Supplier Survey

KCDC, as a part of its continuous improvement program, will survey its employees about the quality of the goods and/or services provided by the successful supplier. KCDC shares the results with the supplier. If necessary, KCDC and the supplier will then jointly work on an improvement program. In extreme cases, KCDC may end contracts due to survey results.

66. Tariffs and Trade Restrictions

KCDC recognizes that the imposition of tariffs or trade restrictions may impact the supplier's ability to maintain pricing. In such instances, the supplier may notify KCDC of the impact, supported by credible cost data for KCDC's review and validation. The parties agree to engage in good-faith negotiations to consider price modifications, substitute goods, or alternative sourcing arrangements, with the goal of minimizing disruption to public services and maintaining the continuity of supply.

67. Telecommunications Restrictions

As a recipient of federal funding, KCDC must comply with federal telecommunications restrictions as detailed in this paragraph.

- a. Part A - The Government Cannot Obtain Prohibited Telecom. This provision became effective on August 13, 2019. Part A prohibits the government from obtaining (through a contract or other instrument) certain telecommunications equipment (including video surveillance equipment) or services produced by the following covered entities and their subsidiaries and affiliates:

- Huawei Technologies Company
- ZTE Corporation
- Hytera Communications Corporation
- Hangzhou Hikvision Digital Technology Company
- Dahua Technology Company

Note that the Part A ban also applies to commercial items (FAR 12.301(d)(6)) and micro-purchases (FAR 13.201(j)).

- b. Part B - Government Contractors Cannot Use Prohibited Telecom. This provision is effective August 13, 2020. Part B prohibits the government from contracting with any entity that uses certain telecommunications equipment or services produced by the entities listed in the statute.

- The government cannot contract with an entity that uses covered telecommunications equipment or services as a substantial or essential component of any system or as critical technology as part of any system.
- The prohibition applies the usage in performance of work under a federal contract.
- The prohibition applies to every sector and every dollar amount. Your ability to enter contracts with the government will be impacted by Part B.
- After conducting a reasonable inquiry, entities will represent to KCDC, in the applicable certification, whether they do or do not use prohibited telecommunications equipment or services.

68. Term

Unless KCDC expressly specifies and agrees to otherwise, KCDC normally enters one-year contracts with four one-year options to renew for up to a total of five years.

69. Termination

- a. KCDC may terminate an agreement and/or contract, in part or in total, for its convenience or the failure of the supplier to fulfill contractual obligations. KCDC shall terminate by delivering to the supplier a written Notice of Termination specifying the nature, extent and effective date of the termination. Upon receipt of the notice, the supplier shall:
 1. Immediately discontinue all services affected (unless the notice directs otherwise).
 2. Deliver to KCDC all information, papers, reports and other materials accumulated or generated in performing the agreement and/or contract, whether completed or in progress.
- b. If the termination is for KCDC's convenience, KCDC is only liable for payment for services rendered before the effective date of the termination.
- c. If the termination is due to the failure of the supplier to fulfill its obligations under the agreement and/or contract, KCDC may:
 1. Require the supplier to deliver any work described in the Notice of Termination.
 2. Take over and finish the work specified by the award and/or contract. The supplier shall be liable for any additional cost incurred by KCDC.
 3. Withhold any payments to the supplier for set-off or partial payment of amounts owed by KCDC to the supplier.
- d. In the event of termination for cause, KCDC shall be liable to the supplier for reasonable costs incurred by the supplier before the effective date of the termination.

70. Unit Prices

If the solicitation document includes a schedule of unit prices for labor and materials or other items to establish a cost basis for unforeseen contract changes, KCDC reserves the right to reject, without impairing the balance of the response, any or all such predetermined unit prices, and negotiate such unit prices during the term of the award.

71. Use of Solicitation Forms

Suppliers are to complete the forms contained in the solicitation package. Failure to complete these forms may result in the rejection of your response. Suppliers are not to change the pricing method that is on the solicitation document unless the Procurement Division approves the change.

72. Utilities

- a. If work is in KCDC's occupied apartments, KCDC does not supply utilities for suppliers since residents pay their own utility bills. In such cases, the supplier will arrange for any utilities.
- b. When work is at its office areas, vacant apartments and other non-resident locations, KCDC will provide utilities for suppliers if they are currently available in the area.
- c. The supplier must ascertain the availability of utilities prior to submitting a response.

73. Withdrawal

A supplier may withdraw or amend a response before the solicitation deadline without stating a reason. Suppliers cannot amend a response after the opening unless the amendment does not materially affect the price, quality, quantity or delivery of the goods or service and is therefore not fair to the other suppliers. After the opening, KCDC must give approval for any amendment or withdrawal. If granted, withdrawal after the due date is non-reversible. The supplier must submit clear proof of a clerical error for KCDC to approve withdrawals or amendments. Amendments and withdrawals are subject to KCDC's discretion. Withdrawal may affect your bid bond (if applicable).

74. Workplace Violence Prevention Policy

KCDC is committed to providing a safe, healthy and secure work environment. The presence of weapons, violence, threats of violence and other disruptive behavior in the workplace is prohibited. This policy applies to anyone on KCDC property, including employees, suppliers, volunteers, interns, residents, temporary employees and visitors. Threats, threatening behavior or acts of violence against employees, visitors, guests or other individuals on KCDC property are not tolerated. Any person who makes threats, exhibits threatening behavior or engages in violent acts on KCDC property will be removed from the premises and shall remain off KCDC premises pending the outcome of an investigation. Violation of this policy by non-employees may result in suspension and/or termination of any business relationship, appropriate legal action or other response deemed appropriate. Weapons include:

- Explosive devices
- Firearms
- Switchblade knives or any other type of knife not necessary for a work assignment
- Brass knuckles
- Any other instrument for bodily injury which has no common lawful purpose

The worksite includes all property owned or occupied by KCDC (including KCDC job sites) or in a KCDC vehicle.