

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS**

Page No. **1** No. Pages **12**

Date **October 9, 2007**

FORMAL INVITATION, BID

Sealed bids addressed to the Chief Contracting Officer, San Antonio Water System, 2800 US Hwy 281 North, Room 537, P. O. Box 2449, San Antonio, TX 78298-2449 will be received until **3:00 p.m., October 23, 2007** and then publicly opened and read aloud for furnishing materials or services as described herein below,

- In estimated quantities indicated below.
- For period beginning **January 1, 2008** and ending **December 31, 2008**.
- Bid Bond is required (See Paragraph 15 of Terms & Conditions of Invitation for Bids.)
- Bid Bond is not required.
- Price quoted shall be firm and non-escalating during the contract period (Paragraph 13a, b, and c of Terms and Conditions do not apply).

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
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**SAN ANTONIO WATER SYSTEM
ANNUAL CONTRACT FOR
PURCHASE OF
BILLING AND RETURN ENVELOPES**

The San Antonio Water System (SAWS) reserves the right to extend the contract period for (1) additional six (6) month period based on the initial bid submitted, should such be mutually agreeable to SAWS and the Contractor.

SCOPE OF WORK: Vendor shall submit a bid to furnish the San Antonio Water System (SAWS) with the specified number of Billing Envelopes and Return Envelopes, which shall be designed to exactly match the Specifications listed on page 3 of this bid invitation. Vendor must submit bid for Base bid 1, Alternative Bid 1 and Alternative Bid 2. Vendor shall be responsible for the supply of all material, equipment, tools and labor required for the complete production and performance of the responsibilities listed.

c:\rb\contracts\billing & return envelopes

Bid No. 07-0020

NOTICE TO BIDDERS: The San Antonio Water System Purchasing Division is willing to assist any bidder(s) in the interpretation of bid provisions or explanation of how bid forms are to be completed. Assistance can be received by visiting the Purchasing Division located at 2800 US Hwy 281 North, Room 537, or by calling (210) 233-3819.

MAIL TO:	Purchasing Division San Antonio Water System P. O. Box 2449 San Antonio, Texas 78298-2449	DELIVER TO:	Purchasing Division San Antonio Water System 2800 US Hwy 281 North, Room 537 San Antonio, Texas 78212
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IMPORTANT MAILING INSTRUCTIONS:

Please check the following blanks which apply to your company:
 Ownership of firm (51% or more): Non-minority Hispanic African-American Other Minority (specify) Female Owned
 Handicapped Owned Small Business (less than \$1 million annual receipts or 100 employees)

The undersigned offers and agrees to furnish any or all the items or services enumerated and upon which prices are quoted at the unit price set opposite each item, delivered at the designated point(s) within the time specified. Bidder hereby makes this bid and offer subject to the Terms and Conditions on the reverse hereof and subject further to the terms and conditions of this Invitation for Bid, the accompanying schedule and such other contract provisions, specifications, drawings or other data as are attached or incorporated by reference in the schedule; and upon acceptance of this bid and offer, bidder agrees to comply with all such Terms and Conditions, as well as contract provisions, specifications, drawings or other data.

BIDDER MUST COMPLETE THE FOLLOWING:

Discount Terms: _____ % 20 days. (Net 30 days if left blank) Date of Bid _____
 Delivery will be completed within _____ calendar days after receipt of order. (if applicable)

Name of Bidder (Company) (print or type)	Signature of person authorized to sign bid:
Address	Print or Type Name of Authorized person
City, State and Zip Code	Phone No. Fax No.
E-mail Address	

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

Page No. 2 No. Pages 12

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
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BASE BID 1

			Per Thousand	
1.	5,472,000 each	Billing Envelopes #10	\$ _____	\$ _____
2.	4,464,000 each	Return Envelopes #9	\$ _____	\$ _____
Total Bid for Items 1 & 2			\$ _____	\$ _____

RECYCLED ENVELOPES

Recycled envelopes with the same quantities shown on Items 1 and 2. Recycled paper content must be same specifications as stated on Items 1 through 5 of Specifications. **RECYCLED CONTENT CRITERIA:** The minimum brightness for white wove envelopes will be 80 unless otherwise stated. They are to be in accordance with the most current U.S. Environmental Protection Agency (EPA) guidelines, unless explicitly exempted in whole or in part by specific product specification as to percent of post-consumer and recovered materials and/or waste paper. EPA has specifically excluded "mill broken" from the definition of "recovered material." The Paper Products RMAN II recommends recycled-content levels. The RMAN recommends ranges for many paper products, which reflect what is currently available in the United States. The website for the EPA is:

<http://www.epa.gov/epaoswer/non-hw/procure/pdf/paper-00.pdf>

			Per Thousand	
1.	5,472,000 each	Billing Envelopes #10	\$ _____	\$ _____
2.	4,464,000 each	Return Envelopes #9	\$ _____	\$ _____
Total Bid for Items 1 & 2 of Alternate Bid			\$ _____	\$ _____

ALTERNATE BID 2

If SAWS should elect to receive half the quantities per delivery shown on Item No. 6 of Specifications and delivered approximately every 30 days, what would be the add-on cost per thousand to Base Bid 1 or Alternate Bid No. 1 for this service.

Per Thousand \$ _____

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

Page No. 3 No. Pages 12

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
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STANDARD REQUIREMENTS

1. Award will be made to the overall responsive low bidder.
2. It is anticipated that award of this contract will be made within 60 days following the date of the bid opening.
3. Questions pertaining to bid process will be answered by Mr. Bob Garcia at (210) 233-3818 or via e-mail rgarcia@saws.org.
4. Technical questions will be answered by Ms. Kristin Jones at 210 233-3167 or via e-mail kjones@saws.org
5. Billing and return envelopes will be delivered in quantities shown on Item No. 6 specifications, on the 15th day of the month, with the first delivery date being within 30 days of notification of bid award.
6. Inside tint will be selected from the standard available samples of the low bidder. The post office suggests a light color ink that will not conflict with the bar code line. Low bidder shall coordinate with the post office to see that all postal regulations pertaining to bar coding are met.
7. Total quantities of billing and return envelopes could be as high as 15,000,000 including extension.
8. If successful bidder agrees to extension, please follow same delivery schedule as per Item #6 of Specifications.
9. SAWS will provide camera ready artwork. Samples provided may not reflect true artwork required. Artwork colors and copy subject to change.
10. Prices shall be all inclusive: No price changes, additions, or subsequent qualifications will be honored during the course of the contract.

SPECIFICATIONS

1. Billing envelope shall be as follows:
 - a. Web Style:
 1. Two Side Seam
 - b. #10, 24 lb. White wove
 - c. Printed Process Blue and the second color as black Web press or "Enhanced Flexo" capabilities.
 - d. The printing process should allow for screening both colors.
 - e. Standard one color inside tint
 - f. Poly Klear window, approximately 1-3/8" x 4-1/4"
 - g. Window no closer than 1/2" to any side
 - h. Bleeds two sides

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

Page No. 4 No. Pages 12

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
2.		The #10 and #9, side seam style must adhere to the Pitney Bowes specifications for the 8 Series Inserter System .		
3.		Billing envelope window's location and size will be per sample attached. Size will be a standard cut and it will not be located within 1/2" of any side.		
4.		Billing envelopes shall have seams glued sturdy enough so as to maintain a 7500 CPH run period on the Pitney Bowes 8 Series Inserting System. All subsequent shipments of billing envelopes shall maintain the minimum of 7500 CPH. Envelope representative shall make good faith effort in correcting any discrepancies, which proves that envelope manufacturer specification has fallen below the 7500 CPH run cycle.		
5.		Return envelopes (Bid Item No. 2) shall be as follows: <ul style="list-style-type: none">a. Web style;<ul style="list-style-type: none">1. Two Side Seamb. #9, 24 lb. White wove.c. Printed Process Blue and the second color as black Web press or "Enhanced Flexo" capabilities.d. The printing process should allow for screening both colors.e. Must meet U.S. Postal automated mar processing requirements.f. Standard one color inside tintg. Bleeds two sides		
6.		Billing and Return envelopes shall be delivered into (12) drop shipments of equal proportions to 2800 U.S. Hwy 281 North Tower II, San Antonio, Texas as follows Per style: 474,000 Ea. #10's and 386,000 Ea. #9's 1 st shipment 474,000 Ea. #10's and 386,000 Ea. #9's Eleven shipments - every 30 days after initial shipment		

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

Page No. 5 No. Pages 12

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
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GENERAL CONDITIONS

1. This bid contains General Conditions and Specifications, as well as in some areas other specific required information and material. It is the bidder's responsibility to be completely familiar with any and all requirements. Failure to do so may result in bid being declared non-responsive.
2. Any manufacturer, brand and model numbers used in these specifications are for the purpose of describing and establishing minimum requirements or level of quality, standard of performance, and design required, and in no way intended to prohibit the bidding of other manufacturers' items of equal specifications.
3. The section headings or paragraph captions contained herein are for convenience of reference only and not intended to define, extend or limit any provisions of this contract.
4. Prices must be quoted FOB, SAWS receiving agency, San Antonio, Texas. Upon award of a contract, the supplier is obligated to deliver the goods to the required destination and bears the risk of loss until delivery.
5. Bids may not be conditioned on minimum deliveries. The quantities show are estimates only and are in no way binding upon SAWS. Estimated quantities will be used for the purpose of evaluation. SAWS may increase or decrease quantities as needed.
6. Freight will be paid only when SAWS has made a request for expedited delivery
7. It will be the bidder's responsibility to be completely familiar with all specifications prior to submitting bid. No extra payment for the work specified will be considered. Bidder must include all costs related to this bid in their unit price.
8. Bidder, by submitting a quote, acknowledges that they have read and fully understand all requirements and take no exceptions.
9. Bidder, by submitting a bid, hereby agrees that all SAWS requirements contained in this bid document take priority over any attached brochures, literature, company stated warranties and/or requirements, unless specifically spelled out in a separate letter titled "Bid Exceptions".
10. Please fill in prices, make one copy for your file and submit all pages of the original bid form. The Bidder shall furnish all information required by the bid form. The Bidder shall print or type his/her name and manually sign the schedule and each continuation sheet. (Delete item 2a of Terms and Conditions of Invitation for Bid.) **Copies and faxed bids will not be accepted.** Bids can be downloaded from SAWS website at www.saws.org
11. Bid shall be enclosed in a sealed envelope addressed to the Purchasing Division, in accordance with instructions contained herein, with the name and address of bidder, date and hour of bid opening and title of the bid solicitation placed on the outside of the envelope. "No Bids" should be returned by the bid opening date with "No Bid" indicated on the envelope in addition to the bid number and bid opening date. SAWS assumes no responsibility for bids not processed due to the failure of the bidder to identify the envelope as a bid response.

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

Page No. 6 No. Pages 12

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
12.		If bidder obtains bid specifications via Internet, the bid must be submitted in hard copy according to the instructions contained in this bid. If, in its bid response, bidder makes any changes whatsoever to SAWS bid specifications, SAWS bid specifications as published shall control. Furthermore, if an alternation of any kind to SAWS published bid specifications is only discovered after the contract is executed and is or is not being performed, the contract is subject to immediate cancellation.		
13.		Bidders' facilities and equipment can be a determining factor in making the bid award. All bidders will be subject to inspection of their facilities and equipment.		
14.		All subject price lists should be submitted with this bid and shall become a part hereof. However, if in the opinion of the SAWS Purchasing Agent, it is impractical for bidder to include published price lists as part of this bid and to furnish any price lists and/or written changes as required herein, bidder shall permit the Purchasing Agent or his/her authorized representatives to inspect the pertinent published price lists and/or written changes in the office of the bidder or at any other location approved by the Purchasing Agent.		
15.		By submittal of this bid, bidder certifies to the best of their knowledge that all information is true and correct.		
16.		A bid that has been opened may not be changed for the purpose of correcting an error in the bid unit price.		
17.		Bidder must submit Material Safety Data Sheets with the bid for any hazardous chemical quoted or supplied under this quote.		
18.		SAWS will not be liable for any costs incurred by a bidder in responding to the bid request.		
19.		Damaged goods or goods received due to error by supplier will be returned and supplier will pay freight.		
20.		If not a single purchase, the quantities shown are estimates only and are in no way binding upon SAWS. Estimated quantities will be used for the purpose of evaluation. SAWS may increase or decrease quantities as needed.		
21.		When supplier cannot abide by terms and conditions in fulfilling the contract, supplier must furnish service or goods from other sources at the contract price. If supplier delays in the above, SAWS reserves the right to purchase on the open market and charge supplier the difference between contract price and the purchase price.		
22.		Bidder warrants that all deliveries under this bid will be of the type and quality herein specified. SAWS may reject or refuse any delivery which falls below the quality required in the specifications and SAWS shall not be held to have accepted any delivery until after it has made an inspection of same and has had an opportunity to exercise this right of rejection.		
23.		Bidder shall be responsible for all charges which relate to the delivery of the goods to SAWS place of business and for the return to bidder of any goods rejected as being non-conforming under the specifications.		

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

Page No. 7 No. Pages 12

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
24.		SAWS is the final judge of product acceptability for items quoted on this bid.		
25.		SAWS Specifications and Terms and Conditions provided with this bid document will prevail in the event of conflict with bidders.		
26.		SAWS reserves the right to cancel this contract with a 30 day written notice without cause.		
27.		Termination-Breach: Should vendor fail to fulfill in a timely and proper manner, as determined solely by the Purchasing Manager, its obligations under this contract, or violate any of the terms of this contract, SAWS shall have the right to immediately terminate the contract. Notice of termination shall be provided in writing to the vendor, effective upon the date set forth in the notice. Such termination shall not relieve the vendor of any liability to SAWS for damages sustained by virtue of any breach by the vendor.		
28.		No oral statement of any person shall modify or otherwise change, or affect the terms, conditions or specifications stated in the resulting contract. The SAWS Purchasing Division will make all change orders in writing.		
29.		The successful bidder shall not sell, assign, transfer or convey this contract in whole or in part, without the prior written consent of the Purchasing Division.		
30.		The obligations of the parties hereto are performed in Bexar County, Texas, and if legal action is necessary to enforce same, exclusive venue shall be within Bexar County, Texas.		
31.		Contractor shall defend, indemnify, and hold harmless SAWS from and against any liability, loss, cost, and expense of whatsoever nature, including those related to death, bodily injury, sickness, disease, and/or loss or destruction of property (including reasonable attorney's fees and costs of defense) resulting from Contractor's performance of the services, to the extent that such losses arise out of and/or are attributed to the sole or concurrent negligence, errors or omissions, or strict liability of Contractor, its employees, Subcontractors, agents, or their respective employees. Where liability is attributable to the joint negligence or fault of Contractor and SAWS, Contractor's duty of indemnification shall be limited to Contractor's (and Contractor's agents, Subcontractors, or employees) allocable share of joint negligence or fault. This indemnity shall be broadly construed to apply to all liability attributed to the concurrent and sole negligence of contractor and shall survive termination of this agreement.		
32.		The goods or services furnished under this contract shall be covered by the most favorable commercial warranties given to any customer for same or similar supplies or services. The implied warranties and remedies of the Universal Commercial Code are included in this procurement and shall apply to the issued purchase order/contract.		
33.		Prospective bidders must prove beyond any doubt to the SAWS' Purchasing Agent that they are duly qualified, capable, bondable, etc., to fulfill and abide by the specifications herein listed.		

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

Page No. 8 No. Pages 12

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
34.		Right to Audit (lump sum contracts). SAWS or its designated agent, shall have the right to audit, at any time, the Contract related records and associated documents of the Contractor and Subcontractor. Such right to audit shall be for the determination of the accuracy and validity of the Contractor's and Subcontractor's billing to SAWS and for verifying compliance with other terms and conditions of the Contract.		
35.		Contractor and Subcontractor shall maintain all records required to be kept by law, rule or regulation, or records required to document performance of the services specified in the contract documents. The records shall be maintained for the period required by law, for a reasonable period in the absence of the applicable law, or for two (2) years after completion of all services, whichever is greater. Contractor shall provide to SAWS copies of such records as provided in the contract documents or as reasonably requested by SAWS after performance of the service.		
36.		It is expressly understood and agreed by both parties hereto that SAWS is contracting with the successful bidder as an independent contractor. The parties hereto understand and agree that SAWS shall not be liable for any claims which may be asserted by any third party occurring in connection with the services to be performed by the successful bidder under this contract and that the successful bidder has no authority to bind SAWS.		
37.		The successful bidder agrees to indemnify and hold SAWS harmless from any claim involving patent infringement or copyrights on goods supplied.		
38.		If insurance is required, the minimum insurance to be maintained shall be in accordance with attached insurance requirements. The successful bidder shall furnish a completed Certificate of Insurance, which shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown thereon. Successful bidder will be required to maintain at all times during performance of the contract the insurance detailed in this bid document.		
		Certificate of Insurance shall be filed with the System no later than 5 days after notification of pending award of contract and before starting any work. Certificates should be mailed to the Purchasing Division, San Antonio Water System, P. O. Box 2449, San Antonio, Texas 78298-2449. CONTRACTOR'S Certificate shall reference the SAWS bid number at time of submittal.		
39.		The successful bidder shall mail invoices to the SAWS Accounts Payable Section, P. O. Box 2449, San Antonio, Texas 78298-2449. Invoices for payments and correspondence for this contract must reference the SAWS purchase order number.		
40.		No officer or employee of SAWS shall have a financial interest, direct or indirect, in any contract with SAWS, or shall benefit financially, directly or indirectly, in the sale to SAWS of any materials, supplies or services, except on behalf of SAWS as an officer or employee. In this instance a SAWS employee is defined as any employee of SAWS who is required to file a financial involvement report pursuant to the City's ethics ordinance.		
41.		Any successful supplier required to perform any type of construction or service related work at SAWS location as a result of this bid or proposal must comply with all requirements shown in SAWS Health and Safety Program and Security Procedure No. 2-11. Copies can be obtained from the SAWS Safety Officer at (210) 233-3619.		

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

Page No. 9 No. Pages 12

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
		Failure to comply with this requirement shall deem project in non-compliance and may result in immediate termination with cause.		
42.		Supplier's employees performing work or making deliveries on SAWS property, other than for a one-time drop shipment, will be required to provide their employees with a photo identification badge that includes the company name; no exception.		
43.		Bid exceptions will be cause for rejection of any bid at the sole discretion of the Purchasing Manager.		
44.		SAWS reserves the right to award this bid to more than one supplier.		
45.		Award of all bids and RFP's will be based on Best Value as determined by SAWS.		
46.		In the event the San Antonio Water System Board does not appropriate funds for continuation of this contract for any fiscal year after the first fiscal year and it has no funds to continue this contract from other sources, SAWS shall be released from its obligations under this contract.		
47.		If a third party is used to ship merchandise, the shipping documents MUST include all SAWS Purchase Order Numbers.		

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

Page No. **10** No. Pages **12**

Item No.	Estimated Quantity	Description	Unit Price	Total Amount
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Security Requirements

Contractor shall ensure a Prime Contractor Data Form (PCDF) and a Background Screening Letter (provided by SAWS Security) is properly completed for all employees performing work under this Agreement and on file with the SAWS Security Office prior to work commencement. Subcontractors performing work must be listed on the PCDF. Contractor shall be responsible for the accuracy of information on the PCDF and for obtaining any and all required items (badges and parking tags) necessary to fulfilling the work under this Agreement. The PCDF must be sent electronically to securitygroup@saws.org. Contractor shall advise the SAWS Project Manager of any employee terminations or changes to personnel performing work under this Agreement and Contractor shall immediately turn in any and all badges and/or parking tags of employees who are terminated or no longer performing work under this Agreement. If there are any changes in the information contained in the PCDF or the Background Screening Letters, Contractor shall immediately notify the SAWS Project Manager and provide updated PCDF and Background Screening Letters, with copies to securitygroup@saws.org.

Contractor and its employees and agents shall obtain a SAWS photo identification badge (Contractor's Badge) and parking tag, if necessary, prior to any work on SAWS property, which shall be used only for purposes necessary to perform the work under this Agreement. SAWS Badge Office hours are Monday and Friday 1:00 pm to 5:00 pm (hours are subject to change). Security Staff can be contacted at (210) 233-3760 or (210) 233-3619. A replacement fee shall be charged to replace any lost or damaged badges or parking tags. As a condition of final payment, Contractor shall return all badges and parking tags to the Security Office. In the event Contractor fails to return all security badges and parking tags, in addition to any other rights or remedies to which SAWS may be entitled at law or in equity, SAWS may withhold from payment to the Contractor the sum of \$500.00 dollars per badge or parking tag as liquidated damages. Contractor agrees that the actual amount of damages for failure to return the badges and/or parking tags are difficult to determine, and the liquidated damages herein are not a penalty, but are a reasonable estimate of the costs and expenses that may be incurred by SAWS for failure to return the badges or parking tags.

Certain designated SAWS facilities (list with SAWS Security) require a SAWS employee to physically escort Contractor at all times. SAWS may, in its sole discretion, waive the escort requirements if the PCDF and a "clean" Background Screening Letter, signed by an authorized representative of Contractor are approved by SAWS Security.

Subcontractors must always be under escort of the Contractor while performing work on any SAWS designated primary facility (list with SAWS Security.) Subcontractors must display either a company photo badge with name or a valid drivers license at all times while working on any SAWS property. Contractor is solely responsible for the actions of its employees, agents, contractors and subcontractors.

Due to changing security environments, Contractor MUST be prepared for additional security requirements at its expense, including background checks. Any person found to have an unacceptable background check (as determined by SAWS review of submitted paperwork or other information provided to or obtained by SAWS) will not be allowed to perform work under this Agreement or on SAWS facilities. Notwithstanding anything herein to the contrary, any provisions in these Security Procedures that may appear to give SAWS the right to direct Contractor as to details of doing any work under this Agreement or to exercise a measure of control over any security measures or such work shall be deemed to mean that Contractor shall follow the desires of SAWS in the **results** of the work or security measures only.

Advance coordination by Contractor with SAWS Security office for these security requirements is necessary to ensure no delays with timely performance of the work. In the event Contractor fails to comply with SAWS Security requirements, SAWS may, with no penalty or claim against SAWS, issue a Work Stoppage Order until the security violation (s) are remedied.

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

**SAN ANTONIO WATER SYSTEM
SAN ANTONIO, TEXAS
FORMAL INVITATION, BID (continued)**

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Item No.	Estimated Quantity	Description	Unit Price	Total Amount
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IMPORTANT MAILING INSTRUCTIONS:

Mark Envelope:

BID NAME:	BILLING & RETURN ENVELOPES		
BID No.:	07-0020		
OPENING DATE:	OCTOBER 23, 2007	TIME:	3:00 P.M.

MAIL TO:

Purchasing Division
San Antonio Water System
P. O. Box 2449
San Antonio, Texas 78298-2449

DELIVER TO:

Purchasing Division
San Antonio Water System
2800 US Hwy 281 North, Room 537
San Antonio, Texas 78212

NOTE: It is the bidder's responsibility to ensure that bids are received in the prescribed manner by the stated date and hour of the bid opening.

Name of Bidder (Company) (print or type)

Signature of person authorized to sign bid:

TERMS AND CONDITIONS OF INVITATION FOR BIDS*Read Carefully***1. GENERAL CONDITIONS**

Bidder is required to submit his proposals upon the following expressed conditions.

- (a) Bidder shall thoroughly examine the drawings, specifications, schedule, instructions and all other documents.
- (b) Bidder shall make all investigations necessary to inform himself thoroughly regarding plant and facilities for delivery of material and equipment as required by the bid conditions. No plea of ignorance by the bidder of conditions that exist, or that hereafter exist as a result of failure or omission on the part of the bidder to make the necessary examinations and investigations to fulfill in every detail the requirements of the contract documents, will be accepted as the basis for varying the requirements of the San Antonio Water System (SAWS) or the compensation to the Contractor.

Following award of the contract, SAWS shall have the right to cancel any orders upon failure of Contractor to make delivery within the time specified in his proposal. SAWS shall also have the right to order materials of comparable design and quality and in equal quantity to the materials included in orders so canceled from any available source and to charge the Contractor for any difference in cost of materials incurred.

2. PREPARATION OF BIDS

Bids will be prepared in accordance with the following:

- (a) The Bidder shall furnish all information required by the bid form. The bidder shall print or type his name and manually sign the schedule and each continuation sheet on which any entry is made.
- (b) Unit prices shall be shown, and where there is an error in extension of price, the unit price shall govern.
- (c) Where manufacturers and models are designated by name and number in invitation for bid, "approved equal" bids by manufacturers not so designated will not be accepted unless authorized in writing by the contracting officer within five calendar days prior to bid opening.
- (d) Proposed delivery time must be shown and shall include Sundays and holidays.
- (e) Bidders will not include federal taxes in bid prices since SAWS is exempt from payment of such taxes. A tax exemption certification will be furnished where applicable.

3. DESCRIPTION OF SUPPLIES

Any catalog or manufacturer's reference used in describing an item is merely descriptive, and not restrictive unless otherwise noted, and is used only to indicate type and quality of material. When items proposed differ in any way from those specified, bidders are required to state exactly what they intend to furnish. Otherwise, they shall be required to furnish the item that is specified.

4. QUANTITIES

Bidders are advised that estimated quantities of anticipated requirements during the contract period are not calculated with certainty. It is the policy of SAWS, however, as a matter of prudent buying and contracting, to establish in advance of actual purchase or performance of the work, the price of the work which is anticipated, and the price on certain items calculated on the estimated number of a particular item which it might need during a contract period. Bidders are advised that during such period, SAWS may determine not to purchase any of the items or may delete any or all of the work listed in a bid proposal or invitation. Under such a contract, SAWS' only commitment is to purchase the items from or proceed with the work by the successful bidder at the price bid if SAWS should, in fact, decide to purchase such items during the contract period or proceed with such work as proposed. On all bids, SAWS reserves the right to reject a bid which, in SAWS' judgement, is "unbalanced." An unbalanced bid is defined as one on which a particular item or a class of items is bid at a figure sufficiently less than or higher than either general market price or bidder's cost, so as to make the bidder low on the overall bid but high on a significant number of other items. SAWS reserves the right to exercise its judgement and reject such a bid as unqualified. If such an unbalanced bid is nevertheless accepted by SAWS and the contract awarded, SAWS reserves the right to delete any or all such items from purchases to be made or work to be done.

5. SUBMISSION OF BIDS

- (a) Bids and changes thereto shall be enclosed in sealed envelope addressed to the Contracting Officer, San Antonio Water System. The name and address of bidder, the date and hour of the bid opening, and the name of material or services bid on shall be written on the outside of the envelope.
- (b) Bids must be submitted on the forms furnished by SAWS.
- (c) Samples, when required, must be submitted within the time specified at no expense to SAWS. If not destroyed or used up during testing, samples will be returned upon request at the bidder's expense.

6. WITHDRAWAL OR MODIFICATION OF BIDS

Bids may not be withdrawn after the time set for the bid opening, without the written consent of the Contracting Officer, but may be modified by telegraphic notice provided such notice is received prior to the time and date set for the bid opening; otherwise, bids and modifications or withdrawals received after the time set for the bid opening will be returned unopened.

7. DISCOUNTS

- (a) Payment discounts will be considered in making the award provided the period of the discount offered is sufficient to permit payment within such period in the regular course of business. The value of money may also be considered in making the award.
- (b) In connection with any discount offer, time will be computed from the date of receipt of supplies or services or from the date a correct invoice is received, whichever is the later date. Payment is deemed to be made on the date of mailing of the check.

8. SELLER'S INVOICES

- (a) Invoices shall be correctly prepared and submitted in duplicate to Accounts Payable, SAWS, and shall contain the following information: Purchase Order No., item numbers, brief description of supplies and services, sizes, serial number, quantities, unit prices and totals.
- (b) Invoices will normally be paid within ten days after receipt of supplies or invoices, whichever is later.

9. EXTENSION OF ANNUAL CONTRACT

SAWS reserves the right, subject to the contractor's approval, to extend any annual contract for an additional period of not more than one year, subject to the same terms and conditions as enumerated in the terms and conditions of invitations for bids and at a price or prices not to exceed the prices quoted.

10. AWARD OF CONTRACT

- (a) The Contract will be awarded to the lowest responsible bidder whose bid, conforming to the invitation for bids, is most advantageous to SAWS.
- (b) Bidders are advised that the awarding of contracts on a bid basis is a requirement of state law and city charter. The purposes of such requirements are:
 - (1) to prevent the historic abuses of negotiated purchases;
 - (2) to enable SAWS to use its purchasing power to buy at the lowest possible prices for the benefit of the Systems and the public; and
 - (3) to enable SAWS to award the contract to other than the low bidder when, in SAWS' judgement, the low bidder is not qualified.

Bidders are advised that it is not the intention of SAWS, necessarily, to award contracts on the basis of differences in the bids other than differences in basic "price of the item." SAWS reserves the right to take whichever action as may, in the judgement of SAWS, be to its best interest as follows:

- (1) Reject all bids;
- (2) Award the bids by the drawing of lots, or
- (3) Award the bids on the basis of differences other than price.

Bidders are advised that the awarding of bids is a matter solely within the jurisdiction of the Board of Trustees. In the event a bidder wishes to protest the award recommended by the purchasing division, the Board invites such bidder to notify the management of the Board and to appear at a meeting of the Board for a public hearing prior to the award.

- (c) SAWS reserves the right to accept any item or group of items of this bid.
- (d) Execution of a written acceptance of a bid by SAWS shall constitute an award.

11. REJECTION OF BIDS

- (a) SAWS may reject the apparent low bid when:
 1. The bidder misstates or conceals any material fact in the bid.
 2. The bid does not strictly conform to the law of the requirements of the bid.
 3. The bid is conditional,
 4. The bid is unbalanced.
 5. When the lowest bidder is not, in SAWS' judgement, qualified, or when the lowest bid, in SAWS' judgement the lowest and best bid.
- (b) SAWS reserves the right to reject any or all bids; to accept any bids, or part thereof, considered by SAWS to be its best interest; and to waive formalities or irregularities.

12. No owner, stock holder, partner, officer or employee of the bidder, or any person who has a financial interest in this contract in anyway, whether direct or indirect, shall be an officer or any employee of SAWS or the City of San Antonio at the time of bidding on this contract, or during the life of this contract. Any violations of this provision will render the bid or contract void.**13. PRICES**

- (a) Prices quoted shall be f.o.b. San Antonio with all transportation and/or delivery charges allowed and prepaid to destination in San Antonio, Texas, specified in the purchase order.
- (b) Revision of Unit Prices: It is agreed that bid price may be superseded during the contract period only if such price revision is the result of a general industry price revision (Note: Discounts, delivery and services accepted is part of this bid and not subject to revision.) A written notice stipulating in detail the price revision justification must be furnished to purchasing officer before revised prices go into effect.
- (c) Revision of Manufacturer's Price List(s): This bid will be based on manufacturer's latest price lists. Said price lists must denote the manufacturer's latest effective date and price schedule. It is agreed that any published price lists may be superseded or replaced during the contract period only if such price revisions are the result of a general industry price revision. (Note: Discount, delivery, and serviced accepted as part of this bid are not subject to revision.) A written notice stipulating in detail the changes of a price list must be furnished to the purchasing officer before revisions go into effect. All subject price lists should be submitted with this bid and shall become a part hereof. However, if in the opinion of the purchasing officer or authorized representative, it is impractical for bidder to include published price lists as part of this bid and to furnish any price list or written changes as required herein, bidder shall permit the purchasing officer or authorized representative to inspect the pertinent published price list or written changes in the office of the bidder or at any other location approved by the Purchasing Officer.

14. EQUAL EMPLOYMENT OPPORTUNITY

All contracts in excess of \$10,000.00 with contractors or suppliers having 15 or more employees will include the clauses listed below:

- (a) The contract will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will assure that employees or applicants for employment are treated in a fair and equitable manner in such actions which shall include but not be limited to the following: Employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contract will post in conspicuous places for the benefit of the employee and applicants for employment notices setting forth the provisions of this nondiscrimination clause.
- (b) Upon request the contractor will furnish to SAWS all information and reports and will permit access to the books, records, and accounts for purposes of an investigation to ascertain compliance with rules and regulations set forth by this organization.
- (c) If the contractor is found not to be in compliance with the nondiscrimination clause of this contract, the contract may be canceled, terminated, or suspended in all or in part and the contractor may be debarred from further contracts with SAWS.
- (d) All bidders or prospective contractors or subcontractors will be required to submit along with the bid or estimate a statement in writing signed by an authorized official or agent in behalf of the company to the effect that the signer's practices and policies do not discriminate on the grounds of race, color, religion, sex, or national origin.
- (e) The contractor shall comply with all provisions of Executive Order 11246, Equal Employment Opportunity, dated September 24, 1965, or as amended and with Section 3 of the Housing and Urban Development Act of 1968, covering opportunities for business and lower-income persons in connection with all federally financed HUD assisted projects.

15. BID BOND

A bid bond will be required if SAWS' Contracting Officer estimates that the purchase price of the materials or services under any contract with SAWS will exceed \$10,000.00. If a bid bond is required, the bid must be accompanied by a Bid Bond, Certified Check or Cashier's Check on a state or national bank in the amount of not less than five percent (5%) of the total bid payable without recourse to SAWS, and no bid will be considered unless it is in compliance with this section. Bid Bonds or Checks in lieu thereof will be retained until the contract is awarded, and will be returned to the unsuccessful bidders immediately after opening. Said Bond or Check shall be returned to the successful bidder unless such bidder fails to execute the required contract acceptance document within 10 days following the Notification of Award.

16. FUNDING

In the event vendor assigns an interest in this contract to any third party to secure financing, or for any other reason, vendor agrees to provide true and correct copies of all UCC filings and factoring and/or assignment agreements between the vendor and said third party to the Purchasing Division of SAWS within 30 days of the filing or execution thereof. Vendor hereby agrees that all payments made by SAWS under the authority of this contract will be made payable to vendor, or in the case of an assignment by vendor, to vendor in care of the applicable assignee or interest holder.