



CITY OF HOUSTON
FINANCE DEPARTMENT
Strategic Purchasing Division

Annise D. Parker

Mayor

Calvin D. Wells, Deputy Director
City Purchasing Agent
P.O. Box 1562
Houston, Texas 77251-1562

F. 832.393.8755
<https://purchasing.houstontx.gov>

July 12, 2013

Subject: Letter of Clarification No. 3 to Invitation to Bid No. S50-L24630 for a Vehicle Leasing Services Contract for the Houston Police Department

To: All Prospective Bidders:

This letter of Clarification is being issued for the following reasons:

- **To respond to questions posed by perspective bidders:**

The following are questions posed by perspective bidders and the City of Houston's responses:

Question No. 1: It is a normal practice for fleet management companies to secure debt from various markets at deeply discounted rates. To qualify the City of Houston for this rate reduction a fleet management company must satisfy basic contractual language requirements through a standard lease agreement. As a clarification to Question and Answer No. 1, Letter of Clarification No. 2; would the City of Houston be willing to review and/or execute a standard agreement from any awarded contractor to allow the taxpayers to capitalize on any additional savings?"

Answer: No.

Question No. 2: Seeking clarification of Section 4.3.3 and Answer provided in the last sentence in paragraph 1 of the Question No 7: Under Defense of Claim (Section 4.3.3): If the City of Houston, in the normal course of business causes physical damage to the rented/leased vehicle, will the City of Houston provide financial reimbursement for the cost of these damages to the contractor?

Answer: No.

Question No. 3: The last sentence in paragraph 1 of the Question No 7, Answer, which states "So, if the City damages the Contractor's vehicle, it would be released from any liability to Contractor for damage." Please expand?

Under Defense of Claim (Section 4.3.3): If the City of Houston, in the normal course of business causes property damage or bodily injury to a

Partnering to better serve Houston

S50 - L24630 for a Vehicle Leasing Services for the Houston Police Department

3rd party while in a rented/leased vehicle, will the City of Houston be primary or provide primary liability coverage for the cost of these claims?

Answer: If there is injury or property damage to a 3rd party due to the negligence of a City employee, the City will pay up to the limit of the law.

Question No. 4: Vehicle Delivery/Turn-In (Section 4.2): If the City of Houston, in the normal course of business causes property damage beyond the scope of normal wear and tear (as defined in this section as damage greater than 3" circumference), but then later states an up-to \$500 limit. Is the City of Houston requesting a waiver on damage that exceeds the 3" circumference if the cost of the repairs is less than \$500?

Example: If the paint is scraped off an entire vehicle panel and the size of the repair exceeds 3" circumference, but the total repair is less than \$500, who will pay for this repair?

Answer: In this example, this is not a normal wear and tear case, and the City would pay for the repair.

Note: No further questions will be accepted after the publication of this Letter of Clarification.

When issued, Letter(s) of Clarification shall automatically become a part of the solicitation documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. All revisions, responses, and answers incorporated into the Letter(s) of Clarification are collaboratively from both the Strategic Purchasing Division and the applicable City Department(s). It is the responsibility of the bidder/respondent to ensure that it has obtained all such letter(s). By submitting a bid on this project, bidders/respondents shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this solicitation and resulting bid.

Furthermore, it is the responsibility of each Contractor to obtain any previous Letter of Clarification associated with this solicitation.

Arturo Lopez

Arturo Lopez
Senior Procurement Specialist
832-393-8731

END OF DOCUMENT

Partnering to better serve Houston

Council Members: Helena Brown Jerry Davis Ellen Cohen Wanda Adams Mike Sullivan Al Hoang Oliver Pennington Edward Gonzalez
James G. Rodriguez Mike Laster Larry Green Stephen C. Costello Andrew Burks Melissa Noriega C.O. "Brad" Bradford
Jack Christie **Controller:** Ronald C. Green