



CITY OF HOUSTON

Administration & Regulatory Affairs Department
Strategic Purchasing Division

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Mayor

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July 12, 2012

Subject: Letter of Clarification No. 1
Security Badging Equipment and Accessories for Various Departments

Reference: Invitation to Bid (ITB) No.: S21-S24299

To All Prospective Bidders:

This Letter of Clarification is issued for the following reason:

- To revise the above referenced solicitation as follows:
 1. To extend the bid opening date from July 19, 2012 to July 26, 2102.
 2. At the E-bidding website, items have been **added**, descriptions and quantities have been **changed** in Groups I - IV.
 3. In Section B, page 6 of 17 **replace** with attached page 6 of 17 marked revised July 12, 2012.
 4. In Section C, page 14 of 17 **replace** with attached page 14 of 17 marked revised July 12, 2012.
- Due to the aforementioned change(s) to the e-bidding items you may need to edit your bid. To do so, please select the "Bid Number" and proceed accordingly.

This Letter of Clarification will be considered part of the solicitation referenced above. 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).

Furthermore, it is the responsibility of each BIDDER to obtain any previous Letter(s) of Clarification associated with this solicitation.

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LM
LM:DRH:lm

Partnering to better serve Houston

Council Members: Helena Brown Jerry Davis Ellen Cohen Wanda Adams Mike Sullivan Al Hoang Oliver Pennington Edward Gonzalez
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Jack Christie **Controller:** Ronald C. Green

TECHNICAL SPECIFICATIONS FOR SECURITY BADGING EQUIPMENT AND ACCESSORIES FOR VARIOUS DEPARTMENTS, CONTINUED:

1.0 PRICE ADJUSTMENT (CONTINUED):

- 1.3.3 If the City Purchasing Agent approves the price increase, he or she shall notify Supplier in writing; no price increase will be effective until Supplier receives this notice. If the City Purchasing Agent does not approve Supplier's price increase, Supplier may terminate its performance upon **sixty (60) days** advance written notice to the City Purchasing Agent. Termination of performance is Supplier's only remedy if the City Purchasing Agent does not approve the price increase.
- 1.3.4 If, at any time after approving a price increase, the City Purchasing Agent determines that the City can obtain the same item at a lower price from a different source without violating the State bid laws, the City may then purchase the item from the lower price source without any obligation to the Supplier.

2.0 CUSTOM PRINTING:

All artwork for custom design and or logo will be provided to the awarded supplier upon approval of award by City Council.

GENERAL TERMS AND CONDITIONS FOR SECURITY BADGING EQUIPMENT AND ACCESSORIES FOR VARIOUS DEPARTMENTS. CONTINUED:

24.0 INSURANCE (CONTINUED):

- 24.2 Worker's Compensation including Broad Form All States endorsement shall be in statutory amount.
- 24.3 All insurance policies required by this award shall require by endorsement that the insurance carrier waive any rights of subrogation against the City, Supplier shall give 30 days written notice to the Director if any of its insurance policies are cancelled, materially changed or non-renewed. Within such thirty (30) day period Supplier, covenants that it will provide other suitable policies in lieu of those about to be cancelled so as to maintain in effect the coverage required under the provisions hereof. Failure or refusal of the Supplier to obtain and keep in force the above-required insurance coverage shall authorize the City, at its option, to terminate this award at once.
- 24.4 ONLY UNALTERED ORIGINAL INSURANCE CERTIFICATES, EXCLUDING ANY ALTERATION AND INITIALS REGARDING CANCELLATION WHICH IS MADE TO MEET CITY REQUIREMENTS, AS ENDORSED BY THE UNDERWRITER ARE ACCEPTABLE. PHOTOCOPIES ARE UNACCEPTABLE.
- 24.5 All certificates of insurance submitted by Contractor shall be accompanied by endorsements for additional insured coverage in favor of the City for Commercial General Liability and Automobile Liability policies; and waivers of subrogation in favor of the City for Commercial General Liability, Automobile Liability, and Worker's Compensation/Employers' Liability policies. For a list of pre-approved endorsement, forms see http://purchasing.houstontx.gov/forms/Sample_Insurance_Endorsements.pdf. The Director will consider all other forms on a case-by-case basis.

25.0 SUCCESSORS AND ASSIGNMENTS:

Supplier may not assign this award or dispose of substantially all of its assets without the written consent of the City Purchasing Agent. Supplier's failure to obtain such consent shall be an event of default, authorizing the Purchasing Agent to terminate this award according to its terms.

26.0 MINORITY AND WOMEN BUSINESS ENTERPRISES:

- 26.1 Contractor shall comply with the City's Minority and Women Business Enterprise ("MWBE") programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Contractor shall make good faith efforts to award subcontracts or supply agreements in at least 2% of the value of this Agreement to MWBEs. Contractor acknowledges that it has reviewed the requirements for good faith efforts on file with the City's Office of Business Opportunities ("OBO") and will comply with them.
- 26.2 Contractor shall require written subcontracts with all MWBE subcontractors and shall submit all disputes with MWBEs to binding arbitration to be conducted in Houston, Texas if directed to do so by the OBO Director. MWBE subcontracts must contain the terms set out in "Section A, Table 2".

27.0 TAXES:

The City is exempt from the Federal Excise and Transportation Tax, and the limited Sales and Use Tax. Unless the Bid Form or Specifications specifically indicate otherwise, the price bid must be net exclusive of above-mentioned taxes, and will be so construed. A Supplier desiring refunds of, or exemptions from, taxes paid on merchandise accepted by the City, must submit the proper forms, and the City Purchasing Agent, if satisfied as to the facts, will approve or issue the necessary certificates.

28.0 AWARD:

- 28.1 The City reserves the right to consider and make awards of bids on articles of similar nature that will in all respects serve the purpose for which the purchase is being made. The City reserves the right to be the sole judge as to whether such articles will serve the purpose.
- 28.2 Unless otherwise specified, the City reserves the right to accept or reject in whole or in part any bid submitted or to waive any informality for the best interest of the City.