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March 8, 2010

SUBJECT: **Letter of Clarification No. 2**

REFERENCE: **RFP No.: S10-T23535 for**

PARKING OPERATIONS AND MANAGEMENT SERVICES FOR THE CONVENTION & ENTERTAINMENT FACILITIES DEPARTMENT

TO: **All Prospective Proposers:**

This Letter of Clarification is issued for the following reason(s):

For the benefit of all prospective bidders and to avoid possible confusion in bidding, we wish to clarify the bidding document as follows:

- **The Proposal due date was extended in Letter of Clarification No. 1 by two weeks. The Proposal due date is now Friday, March 26, 2010, at 2:00 p.m. CST.**

- **The following questions, revisions, and City of Houston ("COH") responses are hereby incorporated and made a part of the Request for Proposal:**

1. Page 64 of the RFP, Section (4) and Section (7) of the insurance requirements in the DRAFT Contract, should be changed as follows because Bayou Place Limited Partnership, a long-term tenant of Bayou Place (an entertainment complex located at 500 Texas Avenue), has agreements with the City pertaining to the Theater District Parking Garage.

(4) Insured Parties. Each policy, except those for Workers' Compensation and Employer's Liability, must name the City **and Bayou Place Limited Partnership** as Additional Insured parties on the original policy and all renewals or replacements.

(7) Subrogation. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents or employees, and **Bayou Place Limited Partnership**.

2. Any references in the RFP to "500 Texas Avenue Limited Partnership" or "TALP" shall be changed to "Bayou Place Limited Partnership."

3. The City is committed to buying products with recycled content or environmentally sustainable alternatives that meet Leadership in Energy and Environmental Design (LEED) compliance standards. If your company uses or offers any green alternatives that are an acceptable substitution for products required herein, please provide all relevant specifications and information with your proposal.

4. On page 57 of the RFP, the definition of **"George R. Brown Convention Center Surface Lots"** is changed to read as follows:

   "George R. Brown Convention Center Surface Lots" includes four parking lots adjacent to the George R. Brown Convention Center ("GRBCC"). The lots are #1: 175 spaces, #2: 168 spaces, #5: 389 spaces, and #8: 30 spaces. In addition, there are two staging lots which are located two blocks east of the convention center that are used for semi-trailers.

5. To clarify the "Pay or Play" program: Even if your company offers health insurance to its employees that meets the program's requirements (that is, your company pays at least $150 per month for each covered employee, and the employee's contribution is no more than 50% of the monthly cost), if any employees refuse to participate in the health insurance plan and would have to pay more than $40 per month if they did participate, then your company would be required to "Pay" the City one dollar per hour for every hour each such full-time employee works, unless you provide evidence that employees who declined coverage have insurance from another source, such as a spouse's insurance policy. The "Pay or Play" program also applies to each subcontractor whose subcontract totals $200,000 or more.

   If your company chooses to include the estimated cost of the "Pay or Play" program in its proposal, be sure to include written notes explaining this. You may choose to make the estimated cost of compliance with the Pay or Play program a separate line item in the operating budget you will be providing in the Pricing Workbook (Exhibit X).

Revenues and Expenses:

1. Vendor Question: "How do I obtain a copy of the current contract and the current operating budget?"

COH Answer: "First access the City of Houston E-catalogue website at http://purchasing.houstontx.gov/catalog/ -- then in the "Keyword Search" field, type in "Parking Operations & Management Services," and you will see that contract listed by Outline Agreement Number 4600001075. Click on that contract link."

Any proposers who are interested in obtaining a paper copy may purchase a copy from the City Secretary's office, by requesting the agreement approved by City of Houston Ordinance #05-0964, adopted by City Council August 17, 2005.

Proposers should note that the operating budget and management fees in the expiring contract do not make any allowances for the City's new

"Pay or Play" program, and the number of Parking Facilities has changed since the expiring contract began.

The operating budget for the current contract year is attached as **Attachment I**.

2. Vendor Question: What is the existing management fee and budget?

COH Answer: The management fee in the expiring contract is $20,000 per year and the performance incentive payments have been as follows recently:

Sep '07 - Feb '08	$20,398.97
Mar '08 - Aug '08	$21,296.98
Sep '08 - Feb '09	$21,496.37
Mar '09 - Aug '09	$22,050.35

It should be noted that the performance incentive payments in the expiring contract are based on a percentage of revenues, in addition to the contractor's performance. The management fee and performance incentive fee arrangement in the RFP are different from the old contract, and proposers are encouraged to carefully review the RFP before establishing their management fee. The current budget for the expiring contract is provided as **Attachment I**, as stated above.

3. Vendor Question: What is the existing budget for described services for the previous 12 month period?

COH Answer: See the answer to question #2 above.

4. Vendor Question: Provide a copy of each facility's monthly profit and loss statements for last 12 to 24 months, and a copy of the most recent and full monthly financial statement with all back up. Include a breakdown of each facility's revenues, monthly, event transient, validation & any other.

COH Answer: See **Attachments II and III**. For clarity, we are providing information about operating expenses and revenues to the City for the City's fiscal year 2009. This information includes the Convention District Garage, and is therefore, a more accurate portrayal of current conditions than older information.

5. Vendor Question: Will the City of Houston provide the last 5 years profit and loss statements and parking operation reports for the facilities along with the corresponding event calendars?

COH Answer: Please see the answers to questions 1 – 4 and question 26.

6. Vendor Question: Can you provide the last three years of revenue by type and location?

COH Answer: See the answer to questions 1 - 5.

7. Vendor Question: About the annual audit – can we get a copy of the last audit done by Republic's CPA? Is there a scope for this audit?

COH Answer: The expiring contract does not require the annual financial audit that will be required in the new Agreement.

8. Vendor Question: In reference to Financial Statement on page 13 as well as 4.73 on page 84, will the City accept "reviewed" financials from an Independent CPA firm in lieu of audited statements?

COH Answer: We prefer audited financial statements.

Hourly Rates/Staffing:

9. Vendor Question: Please provide current pay rates for all hourly paid employees and include pay progression.

COH Answer: See response to question 10.

10. Vendor Question: The Pricing Workbook includes a minimum wage requirement for some, but not all, of the positions. Will prospective bidders have access to the wages of the remaining salaried and hourly personnel? If not, are all remaining wages to be based solely on current market rates?

COH Answer: Here are the current pay rates, for the expiring contract. Except for certain minimums expressed in the RFP, we would expect all proposers to determine the pay rates for the other positions, which can be based on current market rates or other considerations.

Project Manager	$61,150
Assistant Project Manager	$45,010
Accounting/Office Manager	$43,980
Parking Systems Analyst	$40,345
GRBCC/CDG Manager	$42,000
GRBCC/CDG Asst. Manager	$37,105
Nights/Events Manager	$31,200
Bookkeeper	$28,940
Ticket Auditor	$12.60/hr
Asst. Parking Systems Analyst	$10.00/hr
Asst. Night/Events Manager	$13.00/hr
Supervisors	$11.25/hr
GRBCC Supervisors	$10.00/hr
Traffic Directors	$ 8.00/hr
Maintenance Supervisor	$12.60/hr
Maintenance Staff	$ 9.65/hr

11. Vendor Question: Please provide the current pay rates for all positions required in this contract.

COH Answer: See the answer to question 10.

12. Vendor Question: What is the current rate paid to City of Houston Police and other City staff?

COH Answer: The off-duty law enforcement officers make about $28 per hour.

13. Vendor Question: Does Contractor have any responsibility for employing / re-employing existing contractor employees?

COH Answer: The Contractor may employ existing contractor employees if mutually agreed upon by Contractor and the Director.

14. Vendor Question: Will the City reimburse the Contractor time and one half the employees regular pay rate for all hours worked on City recognized holidays?

COH Answer: Yes, time and one half will be paid for the holidays identified in the RFP.

15. Vendor Question: Can you provide the existing staff schedule?

COH Answer: The existing staff schedule is included in the RFP.

16. Vendor Question: On the Pricing workbook should we add a row on the "Proposed Operating Expenses" tab to carry over the costs of the ticket auditor, assistant parking system analyst and the traffic directors?

COH Answer: Add as many rows as you determine are necessary.

M/WBE Subcontractors and Drug Testing:

17. Vendor Question: How do I obtain a list of the current vendor(s), especially the M/WBE/WBE subcontractors?

COH Answer: The current contractor is Republic Parking System, and it utilizes the M/WBE subcontractor, "Access Data Support Services."

18. Vendor Question: Please provide the current janitorial company's name and contact information.

COH Answer: Access Data Support Services
2425 W. Loop S., #855
Houston, Texas 77027
Office (713) 439-0370 or (800) 206-0931
Fax (713) 439-0376
ads@access-data.com

19. Vendor Question: Please provide the name and contact information of the current car wash and oil change vendor.

COH Answer: Car Butler Inc. is the current vendor (www.carbutler.com). Their address is 3 Greenway Plaza, Houston, TX 77046-0395, and their phone number is (713) 552-5858.

20. Vendor Question: Please provide scope of work expected for auto detailing/car wash and repair service?

COH Answer: Please refer to the RFP document for this information.

21. Vendor Question: What types of M/WBE companies can be used for this agreement?

COH Answer: The selected contractor is encouraged to use M/WBE companies to provide any of the services and products required by the Agreement. Several services and products will be required for this Agreement, including, for example, parking services, parking tickets, cleaning services, cleaning supplies, golf cart providers, uniform companies, personnel services, vehicle repair services, etc. Consult the S/MWDBE Directory at https://houston.mwdbe.com/FrontEnd/VendorSearchPublic.asp for potential business partners.

22. Vendor Question: If the primary contractor is a certified WBE/MBE, does that suffice for the 15% participation requirement?

COH Answer: No, the Contractor must make good faith efforts to utilize M/WBE companies even if the primary Contractor is an M/WBE.

23. Vendor Question: Page 11, Section 14: The M/WBE goal is 15% of "the total value of the contract". What is meant by "total value of the contract"- the management fee paid to Contractor?

COH Answer: The "total value of the contract" means the total estimated dollar amount that the City will pay to the Contractor. The total contract amount will include the following: Contractor's management fees for all five contract years, Contractor's proposed budget for all five contract years, and an allowance for parking enhancements and contingencies, which will be determined by the City after the Contractor is selected.

24. Vendor Question: Please explain the 15% calculation for MBE/WBE subcontractors. What dollar amount should we base the 15% on? Direct cost only or direct costs + Management non-reimbursed cost?

COH Answer: Please see the answer to question 23.

25. Vendor Question: Is drug testing required, and if so, is it a reimbursable expense?

COH Answer: Yes, drug testing is required, and it is a reimbursable expense (a "Direct Cost") for this contract.

Event Schedules:

26. Vendor Question: Provide event schedules for the past 12 to 24 months.

COH Answer: Event schedules for the City's fiscal year 2009 (from July 1, 2008 through June 30, 2009) are attached as **Attachments IV and V**.

27. Vendor Question: Please provide known events schedule during first contract year?

COH Answer: Partial listings of events for the first contract year are available for viewing on the following websites:

http://www.houstonconventionctr.com/meeting_planners/calendar.html
http://www.houstontx.gov/worthamcenter/boxoffice.htm
http://www.houstontx.gov/joneshall/boxoffice.htm
http://www.stagestheatre.com/cms_current__season/southern.html

Credit Card Processing:

28. Vendor Question: Do we need to include credit card fees in the operating budgets? Who is responsible for paying the credit card fees and bank fees?

COH Answer: The credit card fees are deducted by the City's credit card services provider. The balance is remitted to the Contractor. Bank fees that are attributable to this Agreement, if any, will be considered a "Direct Cost."

29. Vendor Question: Should the Credit Card Processing Fees be listed under Bank Service Charges or as a separate line-item?

COH Answer: See answer to 28.

30. Vendor Question: Will the City warrant that the credit card equipment and software is PCI compliant? Will proposers have an opportunity to undertake PCI due diligence regard to the equipment?

COH Answer: The City believes that its equipment and software are PCI compliant but will not so warrant. During the Agreement, the City encourages the Contractor to undertake PCI due diligence.

31. Vendor Question: If Contractor's assessment of the equipment determines that the equipment or software needs replacement and/or upgrades in order to be PCI compliant, then will the City agree to pay for the needed replacements and/or upgrades?

COH Answer: If the Director approves any replacements or upgrades that are needed to ensure PCI compliance, it would be paid for as a Direct Cost.

32. Vendor Question: Will the contractor have to use the supplied PARIS system or can they utilize their own accounting program?

COH Answer: The Contractor will be required to use the PARIS system.

33. Vendor Question: Is the operator allowed to charge a fee for returned checks?

COH Answer: Yes, a returned check fee is allowed.

Performance Bond Requirement:

34. Vendor Question: Can the Performance Bond be renewable on an annual basis?

COH Answer: Yes, the performance bond may be renewed annually.

35. Vendor Question: Is an irrevocable letter of credit an acceptable substitute for the performance bond?

COH Answer: Yes, an irrevocable letter of credit may be an acceptable substitute for a performance bond provided that the City Attorney's Office approves its form.

36. Vendor Question: Page 32, Performance Bond: Will the City cap the 10% to be 10% of the Contract Price, as it is impossible to insure an unlimited dollar amount?

COH Answer: The amount of the Performance Bond is set at $175,000 for each year of the contract. The City will not cap the ten percent referred to in the Performance Bond exhibit.

Parking Equipment Maintenance:

37. Vendor Question: How old is the Federal APD system and is there a maintenance record for the equipment?

COH Answer: Some of the Federal APD systems at the TD Parking Garages are eight years old, but some components are newer. The system at the Convention District Garage is two and a half years old. There are some job repair tickets, but not a log.

38. Vendor Question: Is there an existing service agreement for the Federal APD system? If yes, please provide the existing agreement.

COH Answer: No, there is not an existing service agreement; repairs are made as needed.

39. Vendor Question: Is there a monthly parking equipment maintenance contract currently in place? If yes please provide us with which company and monthly dollar amount per facility.

COH Answer: There is no monthly parking equipment maintenance contract.

Shuttle Buses/Trams/Golf Carts

Shuttle Buses:

40. Vendor Question: How old are the Shuttle Buses?

COH Answer: Refer to **Attachment X**—Shuttle Bus Inventory and Maintenance Specs.

41. Vendor Question: Please provide the last 24 months maintenance records for the Shuttle Buses.

COH Answer: Refer to **Attachment X.**

42. Vendor Question: Please provide the detail and use of the other four buses and frequency in the last 12 months?

COH Answer: See answers to 40 and 41.

43. Vendor Question: Since four buses may be parked at any given time, please provide an outline on how frequently these buses are exercised?

COH Answer: The buses are driven at least once a week.

44. Vendor Question: What are the standards for Shuttle Bus operation? What is the extent of cash handling requirements for drivers of Shuttle Buses? Is there a published fare structure? What are the policies?

COH Answer: Required standards are listed in the sample contract included in the RFP. The Shuttle Bus drivers will not collect fares.

45. Vendor Question: Please provide fleet listing, including year, make, model, type of lift equipment and historical maintenance record for the previous 12 month period.

COH Answer: See **Attachment X**.

46. Vendor Question: In order to better estimate Shuttle expenses, please provide either or both a) the estimated annual mileage for the Shuttles and/or b) historical Shuttle expenses that would qualify as Direct Costs.

COH Answer: See **Attachment X.**

47. Vendor Question: Does the existing fleet operate using gasoline or diesel fuel? Who is responsible for yearly tags and taxes on vehicles?

COH Answer: Diesel fuel is used in all Shuttle Buses. The City is responsible for tags and taxes.

48. Vendor Question: Where is the nearest City of Houston fueling facility?

COH Answer: The nearest City fueling facility is located at Gillette Street, between W. Dallas and Allen Parkway.

49. Vendor Question: Please detail fueling procedure for City owned Shuttle Buses? Is there a tire program currently in place? Is Contractor responsible for tire purchase and what are specifications?

COH Answer: The fueling procedure for Shuttle Buses is described in the RFP. No, there is not a tire program other than routine maintenance, in which tires are rotated at the City's shop on Gillette Street. The Contractor will be responsible for purchasing tires as a Direct Cost.

50. Vendor Question: What is the wage rate now paid to Shuttle drivers? Do current drivers hold a valid CDL with P endorsement?

COH Answer: The Shuttle Bus drivers are paid between $11 to 12 per hour. Yes, they hold valid CDLs with P endorsement.

51. Vendor Question: What was the accident frequency rate for this system during the previous 24 month period?

COH Answer: There were three minor accidents in the past 24 months.

52. Vendor Question: Where are the Shuttle Buses stored when not in use?

COH Answer: When not in use, the Shuttle Buses are parked on City property.

53. Vendor Question: Shuttles – Can we get a listing by model, year and mileage?

COH Answer: See **Attachment X**.

54. Vendor Question: Who pays for the insurance on the Shuttle Buses? If operator, is it a reimbursable expense?

COH Answer: The Contractor is responsible for obtaining Shuttle Bus insurance, and it is a Direct Cost.

55. Vendor Question: Are the Shuttle Buses under a preventive maintenance contract? If yes who is the vendor? What is the monthly cost?

COH Answer: No, there is not a preventive maintenance contract for the Shuttle Buses.

Golf Carts:

56. Vendor Question: Are the requested golf carts 2, 4, 6 or 8 person carts?

COH Answer: As stated in the RFP, the golf carts should be four person carts.

57. Vendor Question: Are gas powered golf carts mandatory or can they be electric powered?

COH Answer: The gas powered golf carts are mandatory.

58. Vendor Question: Where will golf carts be stored? Please detail present fueling procedures for golf carts in operation?

COH Answer: Golf carts will be stored on City property when not in use. An approved storage cabinet holds the gas cans that fuel the golf carts.

59. Vendor Question: Is the cost of gasoline for the golf carts considered a Direct Expense?

COH Answer: Yes.

60. Vendor Question: What are the specifications for the purchase of the five new golf carts? Please provide 12 month maintenance records/ history for existing golf carts.

COH Answer: Please refer to the RFP for the specifications. A 12 month maintenance record is not available at this time.

Trams (Extended Golf Carts):

61. Vendor Question: Please provide required service hours and equipment requirement for Tram operation?

COH Answer: Service hours vary. There is no specific equipment requirement for the extended golf carts referred to as Trams.

62. Vendor Question: Please provide fleet listing of all Tram equipment including year, make model, and historical maintenance records for the previous 12 month period?

COH Answer: Preventive maintenance and repairs are made for the Trams on an as-needed basis. Two of the newer Trams are still under the manufacturer's warranty, so we are unable to provide maintenance records at this time.

Trams	
Villager 8 Passenger Club Car	2007
Villager 8 Passenger Club Car	2007
Carryall 8 Passenger Club Car	1995

63. Vendor Question: Please provide the pay rate and number of FTE / PTE used for Tram operation?

COH Answer: Contractor's on-site employees operate the Trams, and are required to have a regular driver's license. Pay rates for current on-site employees are addressed in the answer to question #10, above.

64. Vendor Question: If the Director requests vehicle or Tram service cease, will City continue to compensate Contractor for equipment leased or purchased but not yet depreciated?

COH Answer: This contract does not require Contractor to lease or purchase any vehicles except for golf carts, which are to be provided at the Contractor's sole expense.

65. Vendor Question: Please provide details for the City's Tram fueling program and requirements? Please provide details of PMI Program for fleet / trams?

COH Answer: The Trams are fueled in the same manner as the golf carts. See the answer to question 52 above. Repairs are made on an as-needed basis. A detailed preventive maintenance program is not available at this time. Repairs and oil changes are made as needed.

Company Logo:

66. Vendor Question: Is the chosen vendor allowed to display their company logo on the shuttles, parking equipment, uniforms, office windows and cashier booths?

COH Answer: Except as otherwise stated in the RFP, the placement of the Contractor's logo is subject to the prior approval of the Department's Director.

Property and Equipment:

67. Vendor Question: The RFP states that the golf carts and radios shall remain property of the Contractor after the termination of the agreement. Will Contractor also retain ownership of other Contractor's expense items such as the biometric time clocks, cell phones, etc.?

COH Answer: The Contractor will own the cell phones at the end of the Agreement. The biometric time clocks will be purchased by the City and will belong to the City. See section 11.2 of the Scope of Services in the RFP.

68. Vendor Question: Who is responsible for the installation of biometric time clock and cost of future link to City's SAP system?

COH Answer: See the RFP. The City will install the time clocks. Contractor will pay for the biometric time clock software and connectivity to its payroll system at its sole expense. If the Director requests a change of software as the Agreement progresses, to link with the City's SAP system, any changes to the initial software provided by the Contractor will be paid for as a Direct Cost.

69. Vendor Question: What is the make, model, age and condition of any sweepers or scrubbers provided by the City? Are they covered under a maintenance contract? What is the cost?

COH Answer: There is not a maintenance contract for these items.

Theater District Garage
1 Tennant T-20 scrubber, purchased in July 2008, good condition.
1 Tennant 6650 sweeper, purchased in July 2008, good condition.

Convention District Garage
1 Tennant 7400 scrubber, purchased in Oct. 2001, average condition.
1 Tennant 6550 sweeper, purchased in Oct. 2001, average condition.

70. Vendor Question: In reference to page 81 of 141 Scope of Services item (n) of parking Operations Supplies, How many cones does the operator need to supply?

COH Answer: No additional cones are needed at this time. When cones are needed, they will be purchased as a Direct Cost.

71. Vendor Question: Does the existing ticket inventory belong to the current operator or the City of Houston?

COH Answer: The existing ticket inventory belongs to the City.

72. Vendor Question: What was the cost for ticket inventory for previous 12 month period?

COH Answer:

Ticket Cost by Lot	**for past 12 months**
Theater District Parking Garage	$9,247.55
Convention District Garage	$1,600.54
Two-part Tickets	for past 12 months
GRB lots	$3,324.53
Lots C & H	$474.46
Monthly hang tags	for past 12 months
Lot C	$105.50
HCA Lot	$ 24.40
GRB Lot 1	$7.20

73. Vendor Question: How many phone / data lines are in place currently?

COH Answer: There is one DSL line in place and the rest are all phone lines owned by the City. The cost of the DSL line is a Direct Cost. WiFi connectivity, provided by the City, is available at no cost and works in the Garage.

74. Vendor Question: Please detail activities associated with "Special Services" during the previous 12 month period.

COH Answer: No Special Services requests have been made within the past 12 months. Special Service requests will vary from year to year.

75. Vendor Question: Please provide inventory of City owned equipment and furnishings in contractor office.

COH Answer: The City owns all equipment and furnishings in the Contractor offices except one computer at the Theater District Parking Garages and one computer in the Convention District Garage. The equipment consists of basic office desks, tables, chairs, and file cabinets.

76. Vendor Question: Please provide layout and square footage (foot print) in proposed Contractor office.

COH Answer: A drawing of the Contractor's office space in the Theater District Garage is attached as Attachment IX. The Theater District Garage parking office has approximately 814 square feet of interior space. The Convention District Garage parking office has approximately 300 square feet of interior space.

Advertising/Marketing/Amenity Programs:

77. Vendor Question: Who is responsible for the initial costs of advertising campaign?

COH Answer: If the Director requests Contractor to initiate an advertising campaign, the expenses will be Direct Costs. The current contractor has not been requested to initiate an advertising campaign.

78. Vendor Question: Please provide detailed listing of titles expected in Books on Tape program. Are marketing costs a reimbursable expense?

COH Answer: A detailed listing of titles for the Books on Tape program is not available at this time. All titles are available at the Houston Public Library. Marketing costs that are requested by the City are a reimbursable expense.

79. Vendor Question: Is there a current "Books on Tape" loan program? If yes, do the tapes belong to the City and will they be passed on to the new Contractor?

COH Answer: Yes, there is such a program, and the tapes belong to the City. Current books on tape will be available for use by the new Contractor.

80. Vendor Question: Amenity Programs (page 83 of the RFP). Are the costs of the amenity programs such as Books on Tape, Vehicle Assistance Programs, etc. considered Direct Costs? Or are they to be paid by Contractor? If these are Direct Costs, should we include these costs in Exhibit X?

COH Answer: The cost of the amenity programs will be a Direct Cost and, as such, should be included in Exhibit X.

81. Vendor Question: Are costs associated with newsletter publication reimbursed by the City?

COH Answer: Yes.

82. Vendor Question: Please provide sample copies of the "Access Granted" newsletter.

COH Answer: See **Attachment VI.**

Liability:

83. Vendor Question: Is Contractor expected to take on all risks and liabilities associated with employee uniform, maintenance, sub-contracts and service contracts?

COH Answer: Yes, but the costs are Direct Costs.

84. Vendor Question: Page 88, Section 6.1. Supervisory and cash-handling employees must be bonded. In lieu of bonding, will the City agree that all employees may be covered by comprehensive crime coverage, including employee theft and dishonesty?

COH Answer: No, both the insurance and the bonding are required.

85. Vendor Question: Who holds liability for work performed on customer vehicles?

COH Answer: The Contractor is liable for all work performed.

Valet Parking:

86. Vendor Question: What are the current rates and fees associated with valet services? What was the previous 12 month history for Valet Services?

COH Answer: Currently, the valet services are provided by Bayou Place Limited Partnership ("BPLP") or its subcontractor. The valet company pays the City one dollar for each vehicle that is valet parked in Lot C. This has been the practice for the past 12 months. The City has requested no valet services from the parking contractor for the past five years.

87. Vendor Question: Can you elaborate on the relationship with TALP and the contractor as it relates to Valet Parking? Are we expected to provide the valet service for TALP and who is held liable for any liquated damages that may occur?

COH Answer: See the answer to question 86.

88. Vendor Question: Please provide a past year historical list of events that required Valet services.

COH Answer: See the answer to question 86.

89. Vendor Question: Valet Parking (page 77 of the RFP) - RFP states that "Contractor shall pay all Direct Costs (which include payroll cost) on valet operations, if valet parking services are requested". Does this mean that these Direct Costs will not be reimbursed by the City? If these Direct Costs are not reimbursed by the City, what is the split on valet revenues?

COH Answer: Direct Costs incurred by the Contractor when providing valet services are reimbursed by the City.

90. Vendor Question: Valet and special event services to be provided from time to time – Is this a reimbursable expense?

COH Answer: Yes.

Miscellaneous:

91. Vendor Question: Are expenses associated with start-up reimbursed by the City?

COH Answer: To the extent that expenses associated with start-up are included in the selected proposer's budget, and agreed to by the City, they will be reimbursable.

92. Vendor Question: Page 85, Contractor's Phase-In. Will the City reimburse for costs incurred by the Contractor during the Phase-In period?

COH Answer: No.

93. Vendor Question: Since Project Manager has multi - site responsibility, are costs associated with purchase/lease, operation and use of the Project Manager's service vehicle reimbursed by the City?

COH Answer: The Project Manager's personal or company-owned vehicle, mileage, fuel, and associated costs of transportation are not reimbursable expenses.

94. Vendor Question: Is it mandatory that the selected operator have local senior company personnel over and above those who would be directly responsible for this parking contract or is it acceptable to have Regional senior personnel that are responsible for the oversight of the operation?

COH Answer: The Contractor is required to have the personnel set forth in the RFP.

95. Vendor Question: Page 14, 4.21 & 4.26: Will the City accept the Project Manager as the local senior management?

COH Answer: It will be up to the Proposer to make that decision. The Project Manager must meet the requirements as stated in the RFP.

96. Vendor Question: Please provide copy of appearance standards for facilities detailed in solicitation?

COH Answer: The information requested, regarding facility appearance standards, does not presently exist. Please refer to the sections of the RFP that describe cleaning requirements.

97. Vendor Question: Please detail the extent of emergency / disaster services provided during the previous contract period? What were those costs for described services?

COH Answer: Historically, the parking contractor's involvement in handling emergencies has involved labor costs only, which have been reimbursed as a Direct Cost.

98. Vendor Question: Please describe what is considered a "Set" of uniforms? Please provide standard? Does the City expect the successful proposer to establish a Shoe Program for its employees and contractors?

COH Answer: Please refer to the RFP. A "Shoe Program" is not planned.

99. Vendor Question: Please detail the extent of training per job classification the City contractor is to provide to employees and staff?

COH Answer: Proposers should include information in their proposals about their proposed training program per job classification.

100. Vendor Question: Please provide City policy and procedures for parking and conventions.

COH Answer: See **Attachment VII.**

101. Vendor Question: Please provide greater detail for the parking enhancements and any vendor information:

a. Mass notification system integration with existing Talk-a-Phone emergency phones
b. Credit card in/credit card out payment system integrated with existing Scan Net
c. Upgrade existing Federal APD passports to Federal APD passport 360 intelligent access control devices
d. Digital VOIP Intercom

COH Answer: Additional details will be provided to the selected Contractor.

102. Vendor Question: Will the City provide adequate and secure storage areas for accounting records?

COH Answer: Yes, storage areas will be provided in the Theater District Parking Garage.

103. Vendor Question: Please provide an electronic version of the GRB surface lot map with space counts.

COH Answer: See **Attachment VIII**—GRBCC Surface Parking Lot Map. The areas highlighted in blue are the GRBCC Surface Parking Lots (disregard the areas highlighted in yellow). Here are the numbers of parking spaces at the GRBCC Surface Parking Lots:

Lot 1: 175 spaces
Lot 2: 168 spaces
Lot 5: 389 spaces
Lot 8: 30 spaces

Additionally, the Convention District Garage has 663 spaces.

104. Vendor Question: Please provide space counts for each of the parking lots: Lots C and H, 2200 Dallas Lots, HPD Lot, and Houston Center for the Arts Lot.

COH Answer: The numbers of parking spaces at these locations are as follows:

Lot C: 176 spaces
Lot H: 403 spaces
Staging Lots at 2200 Dallas: 100 parking spaces each (200 total)
HPD Parking Lot: 85 spaces
Houston Center for the Arts: 84 spaces

105. Vendor Question: How many tickets were sold on the GRB surface lots, Lots C and H, the HPD Parking Lot, and the Houston Center for the Arts ("HCA") Lot?

COH Answer:

Tickets Sold	**for past 12 months**
GRB lots	77,031
Lots C & H	600
HCA coin box only	No tickets—coin box

Tickets were not sold at the HPD Parking Lot in the previous 12 months. The HPD Parking Lot is used primarily by Houston Police Department employees.

106. Vendor Question: Is the current contract under the Pay or Play provision and if so what is the percent of salary and hourly employees that take the health insurance?

COH Answer: The current contract was approved before the Pay or Play program was implemented.

107. Vendor Question: In Exhibit X, please confirm that the 24,000 event hours for Theater District Parking Facilities and the 16,000 event hours for the George R. Brown are the basis for which we should budget Special Event Cashiers (row 30 on the Proposed Operating Expenses tab of the spreadsheet).

COH Answer: Yes, that is correct.

108. Vendor Question: Are the hours for "Event Service/Equipment Attendant" included in the 24,000 event hours for Theater District Parking Facilities and the 16,000 event hours for the George R. Brown?

COH Answer: Yes.

109. Vendor Question: What are the cashier hours for the Convention District Garage that we are to propose?

COH Answer: See Exhibit X of the RFP. Event cashier hours are determined by the events. Hours will vary.

110. Vendor Question: On page 87 it talks about billing and collecting from the City. – What happens if the City does not pay their monthly billings?

COH Answer: See Article IV of the contract, "Duties of the City."

111. Vendor Question: On page 9 of 141, term 12.11 states that clerical work and reproduction of documentation costs shall be the responsibility of the contractor. What clerical work and reproduction cost is this referring to?

COH Answer: That section of the RFP refers to preparation costs associated with your proposal.

112. Vendor Question: Is it the intent of the City to select an operator that has company locations within a five-block radius?

COH Answer: No.

113. Vendor Question: In reference to Quality Control 4.73, how often will the Contractor be required to conduct customer service surveys?

COH Answer: Customer service surveys will be required up to two times per year.

114. Vendor Question: Page 9, 12.6 states that the City can combine or consolidate Proposals, or portions thereof. If the City only selects a portion of a proposal, can the Proposer withdraw its proposal without forfeiting its Bid Bond?

COH Answer: No.

115. Vendor Question: Page 10, 12.19 states similar language to 12.6. Again, if the City only selects a portion of a proposal, can that Proposer withdraw its proposal without forfeiting its Bid Bond?

COH Answer: No.

116. Vendor Question: Page 114-117, Liquidated Damages. Will the City provide a listing for each year of the last contract any and all Liquidated Damages it assessed upon the current contractor?

COH Answer: We have not compiled such a list, but the total amount of Liquidated Damages assessed over the past five years has been less than $2,500.

117. Vendor Question: Page 10, Section 12.20: Regarding this "Certificate of Vote", will a certified corporate resolution setting forth the authorized signer(s) on behalf of the proposer suffice?

COH Answer: Yes.

118. Vendor Question: 2. Page 10, Section 12.25: Term will be three years, with two one-year options to renew. Will the renewal options be mutually agreed upon as opposed to a unilateral right of the City or Contractor?

COH Answer: No, the renewal options will be the Director's unilateral decision.

119. Vendor Question: Page 71 & 72, Section V. (D): The City has no obligation to allow Contractor a right to cure defaults. Would the City reconsider this?

COH Answer: No.

120. Vendor Question: Page 77, Section 1.2: Contractor expressly agrees that its right to payment is subordinate in all respects to the City's debt service on the bonds used to build these garages. What is the debt service amount on the bonds? And would the City agree that Contractor may terminate the contract if the City fails to pay Contractor, whether due to bond debt service or otherwise? Or, would the City agree that Contractor will have a right to terminate the contract without cause, on 30 days' notice?

COH Answer: The Contractor's rights to terminate in the event of City's default are set forth in the RFP.

121. Vendor Question: Will you provide the RFP document in Word format?

COH Answer: Yes. The RFP will be made available in WORD format, on Strategic Purchasing's website, as a courtesy to the proposers.

122. Vendor Question: Any chance the RFP due date can be extended for one to two weeks? We have a lot of information to look at prior to completing our response.

COH Answer: **Yes, the Proposal due date has been extended for two weeks. The Proposal due date is now Friday, March 26, 2010, at 2:00 p.m. CST.**

When issued, Letter(s) of Clarification shall automatically become a part of the Proposal documents and shall supersede any previous specification(s) and/or provision(s) in conflict with the Letter(s) of Clarification. It is the responsibility of the Proposer to ensure that they have obtained any such previous Letter(s) associated with this solicitation. By submitting a Proposal on this project, Proposers shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this Proposal.

If you should have any questions or if further clarification is needed regarding this Proposal, please contact me at greg.hubbard@houstontx.gov, or at 832.393.8748.

Sincerely,

Greg Hubbard

Greg Hubbard
Senior Procurement Specialist
Houston, Texas 77002
Phone: 832.393.8748

DM

GH:DM:gh

cc. Stephen Lewis, CEF; Lisa Kingsbury, CEF; Lisa Hargrove, CEF; File

Attachments:

Attachment I:	Operating Budget for Current Contract Year (from expiring contract)
Attachment II:	FY2009 Revenues
Attachment III:	FY2009 Expenses
Attachment IV:	FY2009 Theater District Events
Attachment V:	FY2009 GRBCC Events
Attachment VI:	"Access Granted" Newsletter
Attachment VII:	Parking Operations Policies and Procedures
Attachment VIII:	GRBCC Surface Parking Lot Map
Attachment IX:	Contractor Office Space Drawing
Attachment X:	Shuttle Bus Inventory and Maintenance Specs