



CITY OF HOUSTON

Strategic Purchasing Division
Administration & Regulatory Affairs
Department

Bill White

Mayor

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

F. 713.247.1811
www.houstontx.gov/purchasing

May 7, 2009

SUBJECT: Letter of Clarification No.1
Process Improvement, Reorganization & Best Practices for Purchasing and Payroll
Operations for the Administration and Regulatory Affairs Department

REFERENCE: RFP No.: S29-Q23265

TO: All Prospective Respondents

This Letter of Clarification is issued for the following reasons:

• **The following questions and City of Houston responses are hereby incorporated and made a part of the RFP:**

1. The solicitation refers to the following list of forms that should be found on the e-bid website – but the only document listed under S29-Q23265 is the RFP itself. TABLE 1 - REQUIRED FORMS: Affidavit of Ownership.doc, Fair Campaign Ordinance.doc, Statement of Residency.doc, Drug Forms, Pay or Play Acknowledgement Form & Certification of Agreement to Comply with Pay or Play, All Applicable Licenses/Certifications as Required in Scope of Work/Specifications?

Answer: All forms can be downloaded from the following link: <https://purchasing.houstontx.gov/> please review the icon that states “Bids and RFP’s” and click “Solicitation Forms and Attachments.” You will be able to click and print each required document from this site.

2. Is contact information required with the client references? If so, what information should be provided (i.e., address, phone, email)?

Answer: Yes, Name of Company, Contact Person Name, E-mail & Telephone Number, type of services performed and when(dates).

3. Should the proposal be submitted by email or in hard copy? If a hard copy response is required, how many copies of the proposal should be provided?

Answer: Please provide an E-mail response.

4. The RFP references that licenses and certifications are to be submitted with the proposal. What licenses and certifications are required?

Answer: This is a general request that is asked on all proposals. Therefore, if you do not have any specialized certification/licenses as it pertains to the scope of work this would not be applicable.

Partnering To Better Serve Houston

**Letter of Clarification 1
Process Improvement, Reorganization & Best Practices for Purchasing and Payroll Operations
Solicitation No. S29-Q23265**

5. The Pay to Play Program form has a place for a City Vendor ID. Are we required to obtain a City Vendor ID before submittal?

Answer: No, however it would be good for you to initiate the process of getting a vendor number because your information is stored in a database and anytime SPD conducts a formal solicitation where vendors indicated areas of interest will be automatically notified about new solicitations that have been posted to our site.

6. The RFP references that the Proposed Fee Schedule must be submitted in a separate sealed envelope marked "Pricing". Should the fee schedule be sent via email?

Answer: Yes, you may submit via e-mail with electronic proposal or via hard copy if you are mailing or dropping off proposals to the City.

7. I could not locate the required forms mentioned in the solicitation. Could you forward them to me or give me the location?

Answer: Please see response to question 1.

8. How detailed and current is the documentation of existing procurement practices?

Answer: The procurement practices are very detailed and follows Chapter 252 of the Texas Local Government and City Houston Administrative Procedures and Executive Orders.

9. Does the City have detailed training records for employees whose duties include areas of procurement?

Answer: Yes

10. Has the Internal Auditor for the City of Houston reviewed the consistent application of policies in this area?

Answer: Yes

11. Has the City of Houston performed a disparity study regarding their procurement practices?

Answer: No

12. Are award justifications processes used consistently or is their significant variance from department to department?

Answer: Yes

13. Does the City of Houston anticipate that a legal review of procurement regulations will be needed? If so, will this requirement will require an attorney to perform the review or could it be done by an experienced procurement professional without a law license?

Answer: No

14. Are there performance metrics currently in place for the procurement process?

Answer: Yes

15. Does the City of Houston have a budget amount established for this RFP?

Answer: Yes

Partnering To Better Serve Houston

**Letter of Clarification 1
Process Improvement, Reorganization & Best Practices for Purchasing and Payroll Operations
Solicitation No. S29-Q23265**

16. Is there a budget range established for the project? I see an expectation of completing the project by Dec. 1, is this time line completion date set in stone?

Answer: Please see response to question 15, yes.

17. What is the total payroll expense/budget, and FTE's / Overtime?

**Answer:
\$1,760,771,525
22,663 FTEs / 1,031 FTEs OT**

18. What is the total purchasing and payroll staff count in FTE's? Overtime?

**Answer: Central Payroll: 16 FTEs. No overtime = \$1,174,000 including benefits (Actual)
Department Payroll personnel (est): 89 FTEs x \$63k/yr/FTE including benefits = \$5,607,000**

19. What is the total purchasing budget for this year? What is it compared to last year? How was performance to budget?

Answer: Zero based budget, Procurement operations is based upon the City Departments budget for goods and services, which varies from year to year.

20. Is Purchasing centralized or are purchases performed at Department level?

Answer: No, however, some purchasing activities are conducted at the Departmental level through the utilization of Departmental Purchasing Units (DPU).

21. I assume the payroll function is performed internally, if so, has outsourcing of the payroll function been considered?

Answer: No

22. There is a mention of a few forms. Where can we obtain those forms? Can you provide a link so we can download those forms?

Answer: Please see response to question 1.

23. Can we send the response via e-mail or it has to be physical copy? If so, how many copies of the proposal need to be submitted?

Answer: Yes, you may submit your response via e-mail inclusive of price sheet (does not need to be submitted in separate sealed enveloped).

24. Whereas our expertise lies in the human / people performance elements instead of the process design and performer qualifications will the City accept bids focused on specific elements, primarily residing in the Implementation Phase? (change management, training, SOP development, and performance measurement)?

Answer: No

Partnering To Better Serve Houston

**Letter of Clarification 1
Process Improvement, Reorganization & Best Practices for Purchasing and Payroll Operations
Solicitation No. S29-Q23265**

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. It is the responsibility of the respondent to ensure that it has obtained all such letter(s). By submitting a bid on this project, respondents shall be deemed to have received all Letter(s) of Clarification and to have incorporated them into this bid.

If you have any questions or if further clarification is needed regarding this solicitation, please contact me.

Sincerely,

Douglas Moore
Division Manager
City of Houston, Strategic Purchasing Division
832-393-8724

END OF LETTER OF CLARIFICATION NO. 1

Partnering To Better Serve Houston