



# CITY OF HOUSTON

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May 15, 2014

**SUBJECT:** Letter of Clarification No. 1

Combined Utility System Water & Wastewater Rate Study for the Public Works and Engineering Department

**REFERENCE:** Request for Proposal No. S46-T25023

**TO:** All Prospective Proposers

This Letter of Clarification is issued for the following reason:

• **To revise the above referenced solicitation as follows:**

1. The following questions and City of Houston responses are hereby incorporated and made a part of the Request for Proposal:

**Q1. On page 19 of the City's Request for Proposal, Section 6.0 Financial Stability, it is requested that the proposer provide audited financial statements for the last three fiscal years. On page 21, Section 7.0 Financial Statements states, "Submit your company's audited annual financial statements, in accordance with and as defined in the Financial Accounting Standard Board (FASB) regulation(s) for the past two years. In addition, include your and Dunn & Bradstreet Report or Federal tax forms Filed to the Internal revenue Service (IRS) for the past two years**

**City Response:** Please provide your audited annual financial statements, in accordance with and as defined in the Financial Accounting Standard Board (FASB) regulation(s) for the past two years.

**Q2. Our Firm has been in business for more than 20 years providing financial and management consulting services to municipally owned water, wastewater and stormwater utilities throughout the United States. As a closely held corporation we are not required to, nor do we, prepare audited financial statements. In addition to our Dunn & Bradstreet Report, we can also provide reference letters from our bank and our independent tax accountant, both of whom have direct knowledge of our financial performance and stability. Will submittal of these items be satisfactory to the City?**

**City Response:** Yes you can provide your Dunn & Bradstreet Report and reference letters from your bank and our independent tax accountant. The City of Houston at its option may request to view additional financial data from your firm prior to any Notice of Intent to Award is issued.

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**Q3. As part of the requested scope of services to be performed under this solicitation does the City desire that the selected consultant develop a comprehensive financial plan for the combined utility system covering a forecast period of five or more years including advice regarding the amount and timing of debt that would be issued to finance the capital improvement plan?**

**City Response:** A comprehensive financial plan does not have to be included.

**Q4. To obtain the bonus points for Hire Houston First certified firms, does the prime consultant need to be certified or can a subconsultant be certified? (SPD)**

**City Response:** Bonus points for the City's Hire Houston First program should only be applied if the Prime Contractor or Prime Consultant has the Hire Houston First designation in place.

**Q5. Which order/format should our proposal follow, the one listed on pages 18-19 of the RFP or the one listed on pages 20-21? And, if we are to follow the format on pages 20-21:**

**City Response:** The requirements listed on pages 18-19 are required to provide an outline of the "Proposal Submittal Requirements". This is required information and required in the order that is listed in the RFP. The requirements listed on pages 20 -21 include the Minimum Content Requirements; please refer to Section 8.0 – Content.

**Q6. Where should we include our sample project experience?**

**City Response:** Please include your sample Projects in Exhibit I – References

**Q7. What information is limited to 3 pages as described in item 4.1 on page 20? I'm assuming this is just the firm background and doesn't include the team or experience information.**

**City Response:** Correct.

- **Are we supposed to include an Executive Summary as described on page 18? (SPD)**

**City Response:** Yes.

**Q8. In item 3.1.11 on page 18 of the RFP, it requests "2 copies of a completed Water/Wastewater Rate Study". Please confirm that this is referring to 2 copies of 1 sample rate study? And, should these copies be included as separate documents outside of our proposal with our proposal package? (PWE)**

**City Response:** The city requests two printed copies of one sample rate study and the associated electronic model. These items do not count as part of the proposal.

**Q9. Please confirm if we are required to submit sample insurance certificates with our proposal, or not until time of award.**

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**City Response:** Correct, Proposers will not be required to submit certificates of insurance and associated endorsements until the City of Houston issues a Notice of Intent to Award to the recommended vendor.

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. 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 proposers to ensure that it has obtained all such letter(s). 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 have any questions or if further clarification is needed regarding this Request for Proposal, please contact me.



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**END OF LETTER OF CLARIFICATION 1**