



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 26, 2013

SUBJECT: Letter of Clarification No. 2
Facility Design, Build, Finance, Operate and Maintain a new Justice Complex for the Municipal Courts Department and the Houston Police Department

REFERENCE: Request for Qualifications No. S46-Q24659

TO: All Prospective Proposers

The attachment lists all questions received as of the deadline for receipt of questions and the City's responses.

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 Qualifications please contact me at 832-393-9112 or email at JusticeComplex@houstontx.gov.

Jennifer Olenick
Assistant Director

Partnering to Better Serve Houston

Council Members: Helena Brown Jerry Davis Ellen Cohen Wanda Adams Dave Martin 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



CITY OF HOUSTON
S46- Q24659
REQUEST FOR QUALIFICATION
RESPONSES

STRATEGIC PURCHASING DIVISION
901 Bagby Street, Concourse Level
Houston, Texas 77002

Question	Response
Are there any amendments to the original RFQ since the June 27th pre-qualification submission conference?	All amendments will be posted to the secure website by July 26th.
Do the M/WBE requirements pertain to both the engineering and contractor levels?	The M/WBE requirements pertain to the contract overall, not to individual components or levels.
For disclosure of the full team and to avoid conflicts of interest, is there a list of companies that have been restricted from working with the City? If so, how can we find out?	The City does not currently have any vendors that are restricted.
Will, after review of the SOQ, the City issue an RFP to a limited number of potential Respondents and if so, how many?	Although the City does not expect to invite every Respondent to submit a Proposal, the City has no predetermined number of such invitations.
Does the City anticipate that Respondents to the RFP will be provided a stipend to help off-set costs of responding to the RFP?	The RFP is likely to require that the successful Development Team be responsible for paying a stipend, without reimbursement, following Financial Close to all unsuccessful Proposers, contingent upon compliance with terms and conditions set forth in the Request for Proposals; however, the City will pay the stipend to each Proposer if the Project is cancelled by the City after the deadline for receipt of responses to the RFP.
Section 4 - Evaluation of Criteria includes the approach to financing, but the submittal requirements do not ask respondents to propose an approach to financing but rather asks for experience in using various financing methods. Should the evaluation criteria be amended to reflect respondents experience with financing?	Experience with "public-private partnerships" and with "privately financing complex development projects" are among the criteria for evaluation of SOQs. See RFQ at Section 4; Section 6.5.3.5; and Section 6.6.



CITY OF HOUSTON
S46- Q24659
REQUEST FOR QUALIFICATION
RESPONSES

STRATEGIC PURCHASING DIVISION
901 Bagby Street, Concourse Level
Houston, Texas 77002

Question	Response
Section 5 - Scope of Services: This section offers a broader description of the City's desired project and references Content of Proposals. Please clarify that this is in regard to an RFP response and not the RFQ/SOQ response?	Section 5.1 describes what the City may expect during the RFP stage. At this juncture, Section 5.1 should be considered advisory.
Section 5.1 - Scope of Services. Please confirm that all pricing is with respect to the Service Fee the Respondent anticipates charging the City during the term for making the space available to the City.	The pricing that will be expected in response to an RFP is the Development Team's bid to "design, build, finance, operate and maintain a new facility to house certain operations of the City's Municipal Courts Department and the Houston Police Department in the City of Houston, TX."
Please advise if there is any debt secured by the properties at Riesner.	None.
Please identify any other parties, if any, with an interest in 1200 Travis, other than HPOPS, and if there is any other debt on the property and the terms of such debt.	None.
Please provide the terms for the HPOPS equity interest in the property.	See City of Houston Ordinance No. 2011-460, which may be reviewed at the secure website.
Please provide financial statements, including revenues and expenses for 1200 Travis for the last 5 years.	The City does not prepare separate financials for 1200 Travis.
Section 6 - Submittal Requirements does not include a request for information on the Operating Service Provider who will maintain the facility for the Term. Should that information be included in a response to the RFQ?	A Respondent may submit this information but is not required to do so. The RFP is likely to require submission of this or similar information.



CITY OF HOUSTON
S46- Q24659
REQUEST FOR QUALIFICATION
RESPONSES

STRATEGIC PURCHASING DIVISION
901 Bagby Street, Concourse Level
Houston, Texas 77002

Question	Response
Can the City please clarify that the lifecycle maintenance and facility management services referred to in items 5.0 and 6.0 of the RFQ will include typical components of design-build-finance-maintain project such as: (a) an energy consumption guarantee; (b) a lifecycle maintenance guarantee for all repairs and capital replacements over the contract term; (c) end-of-term requirements for asset condition (e.g. a Facility Condition Index score at the end of the term which ensures remaining useful life of the building systems and equipment); and (d) guaranteed transfer rights for existing facility maintenance personnel on equivalent terms (including the maintenance of existing Collective Bargaining Agreements, if applicable).	Yes, all of the components referenced are included. The City may reserve the right to provide its own energy.
Does the City require that the Development Team to include a Facility Manager?	A Respondent may submit this information but is not required to do so. The RFP is likely to require submission of this or similar information.
Assuming that a cash payment to the City of \$25.5 million is included in a proposal, what asset will that cash payment purchase on behalf of the Respondent/Developer? Will the \$25.5 million payment result in the acquisition of 1200 Travis, or a specific percentage equity stake therein? Or will that payment only fulfill the obligation of the City to pay HPOPS prior to July 1, 2015?	At present, the City expects to transfer clear title to 1200 Travis to the Developer. The City further expects the final remuneration for 1200 Travis to be submitted as a competitive bid. The portion of this bid that is less than or equal to \$25.5 million shall be paid in cash.



CITY OF HOUSTON
S46- Q24659
REQUEST FOR QUALIFICATION
RESPONSES

STRATEGIC PURCHASING DIVISION
901 Bagby Street, Concourse Level
Houston, Texas 77002

Question	Response
If the purchase price for 1200 Travis is not accounted for by the \$25.5 million payment, will the sale price of that asset be accounted for in a separate bid/negotiation above and beyond the \$25.5 million payment?	Yes.
Will a sale of 1200 Travis include the sale of its structured parking garage?	Yes.
Must qualifying Proposals include the purchase of 1200 Travis?	No. Respondents are expected to identify "a favorable disposition of the City's interest in 1200 Travis." See RFQ at Page 4. At a minimum, Respondents should provide a general plan for disposition of the property and a timeline for relocating current HPD operations.
May the Respondent provide one copy of each form on behalf of the its project team, or must each member of the team complete and submit a separate version of each form?	The required forms must be completed by each entity that comprises the Development Team.
If we don't submit our SOQ by the deadline, are we precluded from participating in the future procurement process?	The City will select from among the RFQ respondents for participation in the subsequent proposal process. Teams participating in the subsequent proposal process may add firms to their teams, even if the firms were not included in a response to the earlier RFQ. Any added firms must provide the required forms as provided in the response immediately above.