

City of San Antonio

ADDENDUM II

SUBJECT: Request for Proposals, Air Service Development Strategic Plan, (RFP 15-083, 610006413), Date of Issue: August 19, 2015, Scheduled to Open: September 18, 2015

FROM: Denise D. Gallegos, C.P.M., CPPB
Procurement Administrator

DATE: September 9, 2015

THIS NOTICE SHALL SERVE AS ADDENDUM NO. II TO THE ABOVE REFERENCED REQUEST FOR PROPOSALS

THE ABOVE MENTIONED REQUEST FOR PROPOSALS IS HEREBY AMENDED AS FOLLOWS:

1. The proposal due date on the RFP's Title Page, in RFP Section 009 - Submittal of Proposal and in RFP Section 013 - Schedule of Events is extended to Wednesday, September 23, 2015.
2. RFP Exhibit 3, Insurance Requirements, is deleted and replaced with Attachment 1 to this document, Addendum II.

QUESTIONS SUBMITTED IN ACCORDANCE WITH SECTION 010, RESTRICTIONS OF COMMUNICATION:

Question 1: The solicitation has a Local Preference Program (10 points). Will credit be given if two or more companies submit a proposal and only one of the companies is local? If yes, are there requirements for the local business being the prime or performing a certain percentage of the work?

Response: A Joint Venture is eligible for a percentage of the evaluation points that its City Business member would receive if responding alone. The available points may be awarded in direct proportion to the ownership interests of the City Business in the Joint Venture. For example, if the City Business would have been eligible for 10 points, and owns 50% of the Joint Venture, the Joint Venture may receive 5 points (50% of 10 points). A business entity that would have qualified for local preference points will not qualify if it creates a new business entity for the purpose of joining a joint venture, since the new entity will not meet the definition of a City Business.

The following definitions from the Local Preference Program Policy Ordinance, as amended 12/5/13, shall apply in determining if credit will be given:

City Business - a business with a Principal Place of Business within the San Antonio city limits.

Headquartered - the place where a business entity's officers direct, control and coordinate the entity's activities.

Principal Place of Business - a business Headquartered OR having an established place of business for at least one year in the incorporated limits of the City and from which at least 100 of its employees or at least 20% of its total number of full-time, part-time and contract employees are regularly-based and from which a substantial role in the business's performance of a commercially useful function or a substantial part of its operations is conducted by those

employees. A location utilized solely as a post office box, mail drop or telephone message center or any similar combination, with no other substantial work function, is not a Principal Place of Business.

Joint Venture – a collaboration of for-profit business entities, in response to a solicitation, which is manifested by a written agreement between two or more independently owned and controlled business firms to form a third business entity solely for purposes of undertaking distinct roles and responsibilities in the completion of a given contract. Under this business arrangement, each joint venture partner shares in the management of the joint venture and also shares in the profits or losses of the joint venture enterprise commensurately with its contribution to the venture.

Question 2: The solicitation has a Veteran-Owned Small Business Enterprise Program (5 points). Will credit be given if two or more companies submit a proposal and only one of the companies is Veteran owned? If yes, are there requirements for the Veteran owned business being the prime or performing a certain percentage of the work?

Response: A Joint Venture is eligible for a percentage of the evaluation points that its Veteran-owned small business member would receive if responding alone. The available points may be awarded in direct proportion to the ownership interests of the Veteran-owned small business in the Joint Venture. For example, if the Veteran-owned small business would have been eligible for 5 points, and owns 50% of the Joint Venture, the Joint Venture may receive 2.5 points (50% of 5 points).

The following definitions from the Veteran-Owned Small Business Preference Program apply in determining if credit will be given:

Veteran-owned small business (VoSB), as specified in 38 CFR §74.1, as amended, is a business that is not less than 51 percent owned by one or more veterans, or in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; the management and daily business operations of which are controlled by one or more veterans and qualifies as "small" for Federal business size standard purposes. When used in this Article, the term "VOSB" includes Service-disabled veteran-owned small business, as that term is specified in 38 CFR §74.1, as amended.

Joint Venture – a collaboration of for-profit business entities, in response to a solicitation, which is manifested by a written agreement between two or more independently owned and controlled business firms to form a third business entity solely for purposes of undertaking distinct roles and responsibilities in the completion of a given contract. Under this business arrangement, each joint venture partner shares in the management of the joint venture and also shares in the profits or losses of the joint venture enterprise commensurately with its contribution to the venture.

Question 3: Regarding the indemnification requirements, it seems to require all Respondents to have unlimited liability insurance. Will there be an ability to potentially limit this liability once the bid has been awarded? Any clarification would be helpful?

Response: Indemnity is not tied to insurance. The City requires a minimum amount of insurance to cover certain events. This is to ensure the City has a policy to make claims against. However, regardless of the amount of insurance a Respondent carries, they will be liable for and be required to indemnify the City for events arising out of their negligence, willful acts or omissions – whether or not those are covered by their insurance. The City will not make changes to the indemnification language.

Question 4: Are two or more companies permitted to jointly file a response to the Air Service Development Strategic Plan? If so, do commercial arrangements need to be disclosed when submitting the RFP such as prime/subcontractor vendor?

Response: Yes, two or more companies may be Co-Respondents. Co-Respondents are two or more jointly and severally liable entities proposing as a team or joint venture with each signing the contract, if awarded. Documentation may be submitted by Co-Respondents with the proposal. If selected to be recommended to the City Council for contract award, City may require Co-Respondents to provide documentation of their relationship.

Question 5: RFP Attachment E – Local Preference Program Identification Form. This form is not attached to the RFP, which says "Posted as a Separate Document". We cannot locate this form on-line. Please advise where we can locate this form.

Response: Respondents, who are registered vendors, should log-in to SAePS to access the bid to view all attached documents including the Local Preference Program Identification Form. Respondents who are not registered should go to following link and register in order to gain access to SAePS.

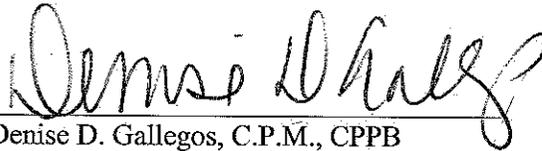
<http://www.sanantonio.gov/purchasing/saeps.aspx>

Question 6: RFP Attachment F – Veteran-Owned Small Business Preference program Identification Form. Please advise where we can locate this form?

Response: See answer to Question 5 above.

Question 7: What information do we need to submit about proposed sub-consultants?

Response: Respondents should fully describe their team in response to questions asked in RFP Attachment A, Part 2, Experience, Background, Qualifications and the roles of various team members in response to questions asked in RFP Attachment A, Part 3, Proposed Plan.



Denise D. Gallegos, C.P.M., CPPB
Procurement Administrator
Finance Department – Purchasing Division

REVISED RFP EXHIBIT 3

INSURANCE REQUIREMENTS

If selected to provide the services described in this RFP, Respondent shall be required to comply with the insurance requirements set forth below:

INSURANCE

A) Prior to the commencement of any work under this Agreement, Respondent shall furnish copies of all required endorsements and completed Certificate(s) of Insurance to the City's Aviation Department, which shall be clearly labeled "Air Service Development Strategic Plan" in the Description of Operations block of the Certificate. The Certificate(s) shall be completed by an agent and signed by a person authorized by that insurer to bind coverage on its behalf. The City will not accept a Memorandum of Insurance or Binder as proof of insurance. The certificate(s) must be signed by the Authorized Representative of the carrier, and list the agent's signature and phone number. The certificate shall be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative to the City. The City shall have no duty to pay or perform under this Agreement until such certificate and endorsements have been received and approved by the City's Aviation Department. No officer or employee, other than the City's Risk Manager, shall have authority to waive this requirement.

B) The City reserves the right to review the insurance requirements of this Article during the effective period of this Agreement and any extension or renewal hereof and to modify insurance coverages and their limits when deemed necessary and prudent by City's Risk Manager based upon changes in statutory law, court decisions, or circumstances surrounding this Agreement. In no instance will City allow modification whereby City may incur increased risk.

C) A Respondent's financial integrity is of interest to the City; therefore, subject to Respondent's right to maintain reasonable deductibles in such amounts as are approved by the City, Respondent shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at Respondent's sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, by companies authorized to do business in the State of Texas and with an A.M Best's rating of no less than A- (VII), in the following types and for an amount not less than the amount listed below:

TYPE	AMOUNTS
1. Commercial General Liability Insurance to include coverage for the following: a. Premises/Operations b. Products/Completed Operations c. Personal/Advertising Injury	For <u>Bodily Injury</u> and <u>Property Damage</u> of \$1,000,000 per occurrence; \$2,000,000 General Aggregate, or its equivalent in Umbrella or Excess Liability Coverage
2. Professional Liability (Claims-made basis) To be maintained and in effect for no less than two years subsequent to the completion of the professional service.	\$1,000,000 per claim, to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any act, malpractice, error, or omission in professional services.

D) Respondent agrees to require, by written contract, that all subcontractors providing goods or services hereunder obtain the same categories of insurance coverage required of Respondent herein, and provide a certificate of insurance and endorsement that names the Respondent and the CITY as additional insureds. Policy limits of the coverages carried by subcontractors will be determined as a business decision of Respondent. Respondent shall provide the CITY with said certificate and endorsement prior to the commencement of any work by the subcontractor. This provision may be modified by City's Risk Manager, without subsequent City Council approval, when deemed necessary and prudent, based upon changes in statutory law, court decisions, or circumstances surrounding this agreement. Such modification may be enacted by letter signed by City's Risk Manager, which shall become a part of the contract for all purposes.

E) As they apply to the limits required by the City, the City shall be entitled, upon request and without expense, to receive copies of the policies, declaration page, and all required endorsements. Respondent shall be required to comply with any such requests and shall submit requested documents to City at the address provided below within 10 days. Respondent shall pay any costs incurred resulting from provision of said documents.

City of San Antonio
Attn: Aviation Department
P.O. Box 839966
San Antonio, Texas 78283-3966

F) Respondent agrees that with respect to the above required insurance, all insurance policies are to contain or be endorsed to contain the following provisions:

- Name the City, its officers, officials, employees, volunteers, and elected representatives as additional insureds by endorsement, as respects operations and activities of, or on behalf of, the named insured performed under contract with the City, with the exception of the workers' compensation and professional liability policies;
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where the City is an additional insured shown on the policy;
- Workers' compensation, employers' liability, general liability and automobile liability policies will provide a waiver of subrogation in favor of the City.
- Provide advance written notice directly to City of any suspension or non-renewal in coverage, and not less than ten (10) calendar days advance notice for nonpayment of premium.

G) Within five (5) calendar days of a suspension, cancellation or non-renewal of coverage, Respondent shall provide a replacement Certificate of Insurance and applicable endorsements to City. City shall have the option to suspend Respondent's performance should there be a lapse in coverage at any time during this contract. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

H) In addition to any other remedies the City may have upon Respondent's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, the City shall have the right to order Respondent to stop work hereunder, and/or withhold any payment(s) which become due to Respondent hereunder until Respondent demonstrates compliance with the requirements hereof.

I) Nothing herein contained shall be construed as limiting in any way the extent to which Respondent may be held responsible for payments of damages to persons or property resulting from Respondent's or its subcontractors' performance of the work covered under this Agreement.

J) It is agreed that Respondent's insurance shall be deemed primary and non-contributory with respect to any insurance or self insurance carried by the City of San Antonio for liability arising out of operations under this Agreement.

K) It is understood and agreed that the insurance required is in addition to and separate from any other obligation contained in this Agreement and that no claim or action by or on behalf of the City shall be limited to insurance coverage provided..

L) Respondent and any Subcontractors are responsible for all damage to their own equipment and/or property..