



CITY OF PORTLAND

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March 16, 2010

ADDENDUM NO. 8

RFP No. 111118

PARKING GARAGE MANAGEMENT SERVICES

Additional Information Due: ~~March 16, 2010~~ March 22, 2010

By: 4:00 pm

This addendum provides changes to the specifications for the above-entitled project to be considered by each respondent. This addendum shall be included within the proposal. Any changes made by this addendum to said specifications offset only the portion of the words or paragraphs specifically mentioned herein, and the balance of the specifications remain in full force. It is the responsibility of all respondents to conform to this addendum.

The attached information provided is for clarification purposes only.

Please direct all questions and concerns to B. J. Gibson, CPPO, at (503) 823-7665.

End of Addendum

Christine Moody
Chief Procurement Officer
CM:bg

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To help ensure equal access to programs, services and activities, the Office of Management & Finance will reasonably modify policies/procedures and provide auxiliary aids/services to persons with disabilities upon request.

1. "Any additional information due: March 16, 2010 by 4PM" - this does not limit the nature of new submittals, nor does it restrict a proposer from amending existing financial information

A: The addendum (7) states that "Offerors are permitted, but not required, to submit additional supporting information in response to the revised criteria by the Due date stated above. Offerors are not permitted, however, to change their proposals or to submit different costs or revenues. New proposal responses will be rejected." [emphasis added] Only supporting documents may be given with the new point scoring system in the costing section.

2. "... net income as a percent of revenue" is a flawed analysis in that it treats a proposer's management fee the same as all other costs including labor costs. Labor costs tie to employee wages, hours of garage operation, hours of individual booth operation... all of which were not provided by the city for the purpose of our submittal. A proposer will be rewarded for irresponsibly budgeting reduced hours lessening their costs - at the expense of a dysfunctional operation.

A: Quite the contrary, the management fee and other fees are all part of the costs of the parking operation; they are not separate units. It is true that labor costs, hours of operations and booth operations were not provided by the City but as explained in the RFP, the proposers were asked to propose on how they would manage the parking operations in a new and different way. Subsequently, it is the proposer's responsibility to tell the City what the proposed garage hours, booth operations and cost of labor will be while keeping within the fair wage requirements. Any "irresponsible budgeting" will be deducted in the accuracy portion of the costing section and also in the project understanding and approach section of the RFP.

3. There is nothing that judges the proposer on the cost of the management fee alone - the only cost that represents the profit of the proposer. All other costs will be subject to the city's approval throughout the duration of the contract

A: See question number 1 above.

4. Why would "janitorial and security costs" be pulled out from the "net income as a percent of revenue" portion and be given a different weight from all other costs?

A: The City views "janitorial and security costs" as one of the most important parts of the parking operation and sees it as a vital part the parking garage customer service program. Therefore, the cost alone on how this will be accomplished is of importance to the City, thus it will be pulled out from "net income as percent of revenue".

5. Why would any points be allocated to revenue growth projections since there is no penalty for missing a projection? Why wouldn't points be awarded to the ideas that may attribute to revenue growth rather than an overzealous guess as to how much the revenues may grow several years down the road?

A: The City has identified points out for accuracy for the revenue projections and any proposal deemed to be "overzealous" would potentially receive fewer points.

6. The incumbent operator has a significant advantage in the "accuracy, completeness and consistency of financial statements", since they are the only ones who have the historic data required to populate the spreadsheets

A: As was stated in the RFP, the City requested that vendors were to look at the parking operation differently than it has been operated in the past, therefore no one contractor would seem to have a significant advantage.

7. Several cost saving suggestions were made in the text of our proposal which require an initial capital investment by the city (or a subsequent arrangement between the city and vendor), as it will be the city which benefits from all the savings. Our budget did not reflect these suggestions since they would be implemented at the

direction of the City. How will the "*net income as a percent of revenue*" be adjusted to account for these cost saving measures?

A: A vendor can show how the equipment costs can be paid for and also show the cost savings as well.