

**PRDE (ER)- 2019-02
ADDENDA #5**

PRDE hereby issues Addenda #5 to RFP No. **PRDE (ER)- 2019-02** answering questions submitted to recovery@de.pr.gov, provide a revised FORM 7. Additional answers may be published. **PRDE encourages all potential proposers to frequently visit www.de.pr.gov for updated RFP information.**

1. Tab 6: If PRDE continues to include a performance and payment bond as a requirement of this proposal response, please provide the following information required to secure a bond:
 - a. Purpose of the bond. Is it just to cover the work of the PM?
***Performance bond will not apply.
Payment bond is required to cover PM work.***
 - b. Amount of the requested bond since the total amount of fees is yet to be determined.
The Payment Bond should be based on the contract total based on the cost proposal which is to be presented in a time and materials framework with “not to exceed amount” for the term of the contract.
 - c. The Obligees of the bond. Will they be the same as the additional insured from the insurance section?
Yes.
 - d. Expected warranty period.
The Payment Bond should be for the Duration of the contract.
 - e. Contract duration under which the PM will be providing its services.

Page 16 of 93 - The Department intends to award a three-year contract, to one (1) or more Proposers for the services requested in this RFP. The term of the contract is expected to commence as soon as the contract is executed by the PRDE and the selected Proposer and end on or before December 31, 2022 subject to annual budget appropriations by the Department, with two (2) one-year optional extensions, unless terminated earlier. In accordance with Section II of this RFP, the Department reserves the right to award a shorter-term agreement and/or to include additional voluntary contract renewal options.
 - f. The term of the bond. Is the bond required for year one amount or the entire duration of the program?

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Payment bond will be required throughout the duration of the program. Payment bond may be on a yearly basis, provided PMO presents evidence of coverage and payment on or before the expiration date.

2. Please provide an extension so that the PMs can properly address the three Addenda issued to date and provide the best proposals possible.

Please see Addenda #4.

3. It is understood that the Proposal Evaluation will only consider the hourly rate schedule by category as indicated on RFP Page 45 of 93 and clarified by Addendum #2 items 13 and 18. **Please confirm that the following Pricing shown on Form 2 (RFP Page 56 of 93) are not applicable to this submission and should be omitted from this submission:**

- a. Table TOTAL
- b. TOTAL PROPOSAL PRICING (TOTAL NOT TO EXCEED AMOUNT)
- c. TOTAL PROPOSAL PRICING FOR EVALUATION PURPOSES, AFTER APPLICATION OF INVESTMENT PERCENTAGE

If these three values are to be provided on Form 2, what is their purpose given that they are not evaluation criteria?

Given the information provided, incomparable values will result from Proposer assumptions regarding specific schedule, scope and cost issues.

4. Please confirm: If a Total Price or Not to Exceed Price is not required for submission, then a Bid Bond is not required for submission.

A Bid Bond is required to be included with the proposal for a fixed amount of \$250,000.

5. Does PRDE require the PM to provide complete assessments for all 1,110 schools including storm damage assessments, physical condition assessments and educational adequacy assessments? If yes, providing an accurate total price is not possible given the scope presented. Please confirm that Total pricing and/or Not-to-Exceed pricing is not required.

No.

6. The RFP did not require the level of documentation for subcontractors that Addendum #3 now requires. To fully comply with this new requirement, an extension to the DEADLINE FOR SUBMITTING PROPOSALS is needed. Please consider and provide a new deadline.

Please see Addenda #4.

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7. Industry standard does not typically require subcontractors to provide the same insurance coverage limits as the PM. Please confirm that subcontractors are not required to provide the same insurance limits as their corresponding PM.

The subcontractor's insurance limits are based on their contract amount.

8. In reference to submittal requirements of the proposal, the instructions state one copy by shared document link emailed to recovery@de.pr.gov. Please confirm that Microsoft OneDrive is an acceptable shared document link or provide the preferred shared document link.

Yes. Is an acceptable form of link.

9. The proposal refers that the proponent must have its office within a mile distance from the PRDE, but after an initial research of the area it was identified a shortage of suitable office spaces to meet this requirement. Could this requirement be modified to state within a five miles distance?

The distance requirement has been removed from the RFP.

10. Could PRDE outline its Recovery Office structure?

The Office is composed of a Director, Deputy Director, Controller, Federal Grants Manager, 7 pre-interventors, 1 lead engineer, 7 field engineers to attend the 7 PRDE regions, 1 finance manager, 3 accounts payable, 2 accounts receivable, 1 office manager, 1 contracts officer, 2 document officers and other clerical personnel.

11. Usually, the needs and time constraints on recovery programs allow for work-weeks in excess of 40hrs/wk. If scheduled milestones so require, and subject to previous PRDE approval; could work-weeks be extended to 48hrs/wk?

The PRDE will not interfere with the internal work processes of the PMO.

12. The deadline for submitting questions was extended by 8 days (from 3/28/19 to 4/05/19), and the deadline to provide answers was extended to 4/09/19 (which is only 6 days prior to the proposal submission deadline). Could the proposal submission deadline be extended to 4/25/19 to make the latest responses and clarifications be properly considered in the proposal?

See Addenda #4

13. With respect to taxes,

- a. Will PMO subcontractors be exempt from the B2B tax?

PRDE is not aware of any applicable exemption.

- b. Will the PMO fees be subject to the Government of Puerto Rico's I-1/2% Special Tax ("Aportación Especial") on professional services?

Yes.

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14. The insurance industry companies we have asked and take in consideration have expressed it is unusual to require a Payment Bond for professional service contracts; which is similar to our own experience. As an alternate, could the payment bond requirement be substituted by a quarterly "confirmation of payment" from suppliers and subcontractors? The confirmation of payment letter is a standard requirement, which allows owners to confirm the payment to suppliers and subcontractors rendering services in the program on a regular basis and allows to take corrective actions, if needed.

A Payment Bond is required.

15. Please provide the template of the Contract between PMO and PRDE; also, templates for the required bond(s).

The template of the contract will be provided to the selected PMO once awarded the contract. The instructions for the required bonds are included in the RFP and addendum.

16. As discussed in the pre-proposal conference, the scope of the program is not defined yet, thus the economic proposals will be mainly evaluated by PRDE according to the job position rates rather than a total proposal pricing. Therefore, we request PRDE to evaluate and eliminate the bond(s) requirement or replace it by a fixed amount bid guarantee applicable to all proponents?

Bid bond will be required for a fixed amount of \$250,000.

17. A maximum duration period is not specified for the bid bond. As notified to us by our broker, this information shall be included in the bid bond certificate. Please confirm the specific bid bond duration, we suggest the following: 90 days period or until the contract is signed, whichever comes first, An extension to the bid bond can be requested afterwards, if necessary.

Bid bonds can include an initial "90 day period, but must be extended for an additional 30 to 90 day increments until the contract is fully executed.

19. As expressed in previous RFIs, there are several questions and concerns regarding bond(s) requirements. Could you please reconsider to eliminate the bond(s) requirement?

The bid and payment bonds are applicable to this RFP.

20. Escalation clauses in contracts are expected on services in which a potential cost increase may occur as a result of market forces such like manpower shortage. Considering the substantial increase of infrastructure efforts and investment foresee in Puerto Rico for the upcoming years, the need of skilled professionals / human resources required on this program and the projected duration of services within this RFP; could the PRDE include an escalation clause as part of the Contract?

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No.

REVISED PROPOSAL SUBMITTAL FORM 7: CERTIFICATE OF INSURANCE COVERAGE

PROOF THAT COVERAGE IS EITHER CURRENTLY IN PLACE OR WILL BE PROVIDED MUST BE SUBMITTED WITH THE PROPOSER PROPOSAL.

PROPOSER NAME:

PROPOSER ADDRESS:

NAME OF SURETY:

NAME OF AGENT:

AGENT'S PHONE:

The undersigned hereby certifies that _____ (the "Proposer") and its subcontractor(s) has or will have the following insurance coverage, respectfully:

TYPE OF COVERAGE	MINIMUM LIMITS	POLICY OR BINDER NO.	ACTUAL LIMITS PROVIDED	EXPIRATION DATE
COMMERCIAL/GENERAL LIABILITY OCCURRENCE /AGGREGATE	As per Part VII of RFP Refer to Tab 10			
PRODUCTS AND COMPLETED OPERATIONS LIABILITY	As per Part VII of RFP REFER TO TAB 10			
AUTOMOBILE LIABILITY	As per Part VII of RFP REFER TO TAB 10			
EMPLOYERS' LIABILITY	As per Part VII of RFP REFER TO TAB 10			
WORKER'S COMP	CONTRACTOR'S STATE & PUERTO RICO MINIMUM COMPENSATION			
PROFESSIONAL LIABILITY	As per Part VII of RFP REFER TO TAB 10			
BID BOND	\$250,000			

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PAYMENT BOND	100% OF THE CONTRACT PRICE			
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PROOF THAT COVERAGE IS EITHER CURRENTLY IN PLACE OR WILL BE PROVIDED MUST BE SUBMITTED WITH THE PROPOSER PROPOSAL. This can be done by one of the two following methods:

1. Complete form "CERTIFICATION OF INSURANCE COVERAGE" *or*
2. Submit a Certificate of Insurance on a form provided by your Insurance Agent. This form must include the following clauses:
 - (a) The Commonwealth of Puerto Rico, the Department of Education, all Commonwealth Departments, Agencies, Municipalities, Boards and Commissions, its officers, agents, servants, employees and volunteers are hereby named as Additional Insured.
 - (b) The policy(s) cannot be reduced or canceled without at least ninety (90) days' prior written notice to the Puerto Rico Department of Education.
 - (c) The insurance company is prohibited from pleading government function in the absence of any specified written authority from the Puerto Rico Department of Education.
 - (d) The policy(s) will automatically include and cover all phases of work, equipment, persons, et cetera which are normally covered while performing work under the above contract, whether specifically written therein or not.

Regardless of the method used, the form **MUST** be totally complete, **MUST** show that all Limits of Insurance are or will be met, and **MUST** be signed by the Agent.

The successful Proposer will be required to provide insurance coverage as shown in General Conditions of RFP and Contract, prior to providing any services. This insurance coverage must be maintained throughout the term of the contract.

Signature: _____

Name: _____

Title: _____

Date: _____

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Regarding Attachment B on page 4, Section II, 3.1.g.iv

The sworn statement to be provided must comply with title III, section 3.3 of Puerto Rico Act No. 2 of 2018, known as the Anti-corruption Code.

Section 3.3- Contracts. This Title shall apply to any person who, in his relationship with the executive agencies of the Government of Puerto Rico, participates in public bids, submits quotations, wishes to enter into contracts with them, or seeks to receive any economic incentive. A pledge to abide by the provisions of this Code of Ethics shall be an indispensable requirement for every person contracting with the Government. Such fact shall be stated in every contract between the executive agencies and contractors or suppliers of services, and in every application for economic incentives granted by the Government. In addition, any natural or juridical person who wishes to participate in the award of bids or in the award of any contract with any government agency or instrumentality, public corporation, municipality, or the Legislative or the Judicial Branch, to provide services or for the sale or delivery of goods, shall file an affidavit sworn before a notary public stating whether the natural or juridical person or any chair, vice chair, director, executive director, or member of a board of officers or board of directors, or persons discharging similar duties for the juridical person have been convicted of, or plead guilty to, any of the offenses listed in Section 6.8 of Act No. 8-2017, as amended, known as the "Government of Puerto Rico Human Resources Administration and Transformation Act," or any offenses listed in this Code.