

Allies & Ross
Management and Development Corporation
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December 18, 2017
Allies & Ross Management and Development Company

RFQ #2017-20
CONSTRUCTION MANAGEMENT SERVICES
ADDENDUM NO. 2

This addendum issued December 18, 2017 becomes in its entirety a part of the Request for Proposals RFP#2017-20 as is fully set forth herein:

Item 1: Q: Will the next amendment clarify if the Task Guaranteed Maximums specified in Section II Paragraphs 1-e and 3-d are negotiable or provided to us?

A: "1-e" GMP is CM fixed fee based on Task Order Scope. This should be RFTOP (Request for Task Order Proposals) process and CM firm provide the proposals on this process. The GMP on "3-d" is related to the construction cost fixed price. This should be developed on the Design phase/ Construction Documents as ICE (Independent Cost Estimate) & CM should be responsible to co-ordinate with A/E to get the proper ICE for the construction phase.

Item 2: Q: Aside from the Pre-negotiated Guaranteed Maximum, what is the structure of each task – fixed fee per task/project or time and materials?

A: Each Task Orders have their own unique scope. That will be defined in their related RFTOP.

Item 3: Q: What are the expectations/parameters for carrying out the active program to stimulate interest of contractors in bidding on ARMDC work?

A: Expectations/parameters are clearly defined in the RFQ Scope in SECTION II. Please refer the same.

Item 4: Q: Do you see the construction tasks involving more neighborhood redevelopments or single property redevelopments?

A: Please refer Item 2 Answer.

Item 5: Q: Additionally, do you see horizontal infrastructure development being a part of the tasks, (e.g. grading, roads, sidewalks, sewers, gas lines etc.) in addition to the vertical building(s) redevelopment?

A: Please refer Item 2 Answer.

Item 6: **Q:** Are the sealed bids for the third party inspector, talked about in Section II Paragraph 3-i, selected based on the lowest bid?

A: **Sealed bid will follow HACP procurement process. It's the lowest responsive and responsible bidder.**

Item 7: **Q:** Please confirm that the intent of this solicitation is to award a contract or contracts to Agency/Advisor Construction Management firms?

A: **Yes.**

Item 8: **Q:** Under Section II, 1) e. – Does “pre-negotiated Guarantees Maximum” mean negotiated Not-To-Exceed amount?

A: **Please refer Item 1 Answer. Typically, they are NTE (Not to Exceed) for CM scope of work.**

Item 9: **Q:** Under Section II, 2) b. – Could the words “to ensure Building Code compliance” be removed? Building code compliance is the responsibility of the A/E and the construction contractor.

A: **No. A/E owns the design & CM oversees/peer reviews the design, “to ensure Building Code compliance” means that the CM firm should have enough background and experiences with Building Codes to make sure that the A/E team are in alignment.**

Item 10: **Q:** Under Section II, 3) a. – Could the last sentence of this paragraph be deleted? Agency/Advisory CM firms typically do not complete construction work.

A: **No. There are some CM firms also owns/partner of a construction firm. This part will allow them to disclose the same.**

Item 11: **Q:** Under Section II, 3) c. – Please clarify what is meant by “The CM should be responsible for providing all construction documents and their updates to the entire project team”. Usually, the construction documents are produced by the A/E.

A: **CM should be responsible to co-ordinate with A/E and make sure that they (A/E) will deliver the construction documents per schedules. CM controls their schedule, quality controls, etc.**

Item 12: **Q:** Section II, 3) d. states that “The CM will be responsible for delivering the Project to ARMDC at a line item Guaranteed Maximum Price (GMP) per Task Order RFP requirement. Therefore, the CM shall have control and charge of the construction contractor’s construction, means, methods and techniques; contractor’s compliance with safety requirements; and for acts or omissions of the Contract(s) and subcontractors, agents or employees, or any other person performing any construction work. The CM shall immediately notify the Contractor(s), A/E, and ARMDC, whenever contractor’s work, means, methods, techniques do not comply with contract requirements. The CM shall be responsible for diligently pursuing contractor(s) to rectify those items of work, which do not comply with contract requirements.”

At the pre-proposal conference, it was stated that this is to be a professional services construction management contract and therefore, the CM is not responsible for providing a GMP for the construction cost. The CM task order Not-To-Exceed amount should only apply to the CM’s fee and not include construction work. Also, the CM should not and cannot “have control of the construction contractor’s construction, means, methods and techniques; contractor’s compliance with safety requirements; and for acts or omissions of the Contract(s) and subcontractors, agents or employees, or any other person performing any construction work.” The CM has no contractual relationship or control with the construction contractors and cannot assume any of the contractors’

liabilities. Additionally, acceptance of this clause would void the CM insurance policy. Therefore, we ask that this paragraph be deleted from the Scope of Services.

A: No. This question statement is conflicting/misunderstood many details.

- It was clearly mentioned in the pre-bid conference that CM firm will act on behalf of HACP to control various phases of the project. The various phases of the project are what mentioned in 3.d. and outlined at the pre-bid conference.
- It's also clearly mentioned in the pre-bid conference that this is a general RFQ process not specific to any projects/ task orders.
- It's also clearly mentioned in the pre-bid conference that meaning of this GMP.
- It's also clearly mentioned in the pre-bid conference that the process of Cost Estimate development and CM's role on the same.

Item 13: Q: Under Section II, 3) e – Please clarify if the CM is to prepare the CPM schedule or if the general contractor is to prepare the schedule and the CM is to review, comment, and/or recommend approval of the schedule.

A: CM prepares /or/ co-ordinate to develop the schedules along with 4 primes. But, CM controls the execution of all schedules.

Item 14: Q: Under Section II, 3) i- Is it the intent of this item to have the construction contractor responsible to hire the 3rd party inspection entity in accordance with the building code/construction documents rather than the CM?

A: Per Building Code, the owner typically hires the 3rd party for special inspections not the contractor. As a CM acting on behalf of the owner, CM is responsible to hire the qualified 3rd party special inspection firms.

Item 15: Q: Under Section II 3) i3- Typically, the A/E prepares the punch list with the assistance of the CM. Could this sentence be revised accordingly?

A: If A/E hired for the CM service in construction phase then yes - A/E prepares the punch list & sign off. But, this RFQ meant for the entirety of the CM service. So, part of the CM role is *"Perform the final inspections and prepare a punch list"* per i.3. & provide them to A/E for review and sign off.

Item 16: Q: Under Section II 3) s – The last sentence states that "the CM warrants that the work performed under this contract conforms to the contract requirements and is free of any defect in equipment, material, design furnished or workmanship performed by an subcontractor or supplier at any tier." The CM cannot warrant other entities' work and therefore, we ask that this statement be deleted from the scope of services.

A: This is a follow up of the inspection services referred in 3.i. If the inspections are completed/passed properly then *"the work performed under this contract conforms to the contract requirements"* per 3.s.

Item 17: Q: Section II 3) t states that the CM shall render claim services at an additional fee, only if the claim services extend beyond six (6) months after substantial completion of the construction work. We ask that "only if the claim services extend beyond six (6) months after substantial completion of the construction work" be removed.

A: No. It's a minimum time frame that was required.

Item 18: Q: Reference the RFQ Section II Scope of Services Item 3.a. which states "Should the CM be required to provide construction for any Project, the Task Order will fully define that

work.” It is not typical that a CM be required to directly perform any construction. Please confirm that the CM firm hired under this solicitation will not be required to perform any construction services.

A: Yes. Typically CM is not required to perform construction. Please refer Item 10 answer for the intent of this 3.a.

Item 19: Q: Reference the RFQ Section II Scope of Services Item 3.d. which states “The CM will be responsible for delivering the Project to ARMDC at a line item Guaranteed Maximum Price (GMP) per Task Order RFP requirement.” This requirement would be typical of a “CM At-Risk” delivery method. However, the understanding is that this is not to be a CM At-Risk delivery method and that the CM will have no contractual responsibility for providing any guaranty that any project associated with any Task Order assigned to it under this agreement meets a pre-determined budget or schedule. It is our current understanding that General Contractors that will perform the actual construction work will be responsible for providing these types of guarantees and that the CM will have no contractual involvement directly with these Contractors. Please confirm.

A: “CM at Risk” typically comes with a financial penalty/obligation. So, this is not CM at Risk. However, the expectation of delivering projects on the agreed schedules, quality controls, etc. are all typical CM’s responsibility and that is what outlined in 3.d.

Item 20: Q: Reference the RFQ Section II Scope of Services Item 3.d. which states “the CM shall have control and charge of the construction contractor’s construction, means, methods, and techniques; contractor’s compliance with safety requirements; and for acts or omissions of the contract(s) or subcontractors, agents or employees, or any other person performing any of the construction work.” Please confirm that the CM will have no direct contractual relationship with any construction contractors and will therefore not have the ability to meet this requirement. We recommend revising this language to indicate that the CM will closely monitor these items and immediately advise ARMDC of any issues or deviations from the contract requirements.

A: Please refer Item 12, 19 Answers.

Item 21: Q: Reference RFQ Section II Scope of Services Item 3.h.1 which states that the CM will “manage and monitor construction activities”. Please confirm that the CM will not be managing construction activities, but rather will monitor construction activities and provide owner with information, analysis, and advice on those activities.

A: Management is one of the core requirement of CM = Construction Management services. Monitoring, analysis, reporting, advice are explained in the SECTION II scope and they all are part of managing the project.

Item 22: Q: Reference the RFQ Section II Scope of Services Item 3.i. which states “The CM shall be responsible to ensure that all contractors on an assigned project have produced the required and/or necessary building permit(s) prior to starting any work under the project.” Please confirm that the CM will not be responsible for obtaining any required and/or necessary building permit(s) but that the CM will simply be responsible for tracking and reporting on the status of the Contractor(s) building permit(s).

A: CM services is all about monitoring, managing, and coordinating any activities in the project. Gaining building permit is one of the activities that make sure that project get the required/related permits before construction.

Item 23: Q: Reference the RFQ Section IV Content of Response Documents Item B.4. which states “All bidders will provide information on the most recent ARMDC and/or Housing Authority of the City of Pittsburgh (HACP) job...” Please advise as to whether it is a requirement for the CM to

have previous experience on projects with ARMDC and/or Housing Authority of the City of Pittsburgh (HACP).

A: No, it is not a requirement for the CM to have previous experience on projects with ARMDC and/or Housing Authority of the City of Pittsburgh (HACP). If the Offeror does not have previous experience with ARMDC/HACP, then leave that reference table blank.

Item 24: **Q:** Reference the RFQ Section II Scope of Services Item 1.f. which states "The CM shall ensure that all design and implementation of the work complies with Federal, State, Local laws, rules and regulations especially compliance with Building Code requirements." Please confirm that CM will not be responsible to ensure code compliance as stated but will instead be required to review the design and implementation of the work and identify any non-compliance with Federal, State, Local laws, rules and regulations that it observes or becomes aware of and notify ARMDC accordingly.

A: Please refer Item 9 Answer. CM should have enough knowledge/experiences about the building codes to deal with the A/E & code compliances.

Item 25: **Q:** Reference to Attachment E. Under sections II and III of this form the "If No" questions appear to contain a typo. If the question is "...are any Contractors classified as..." What is this question actually asking? Should it be "...are any proposed sub-contractors classified as..."?

A: Please see the attached updated Attachment E form.

Item 26: **Q:** Reference to Section 3 Opportunities Plan: Since this solicitation is not for a specific task order and the scope and scale of any work to be performed is unknown, how are offerors to affirm intentions to hire specific numbers of employees or contractors?

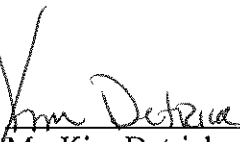
A: If an Offeror is selecting Tier I hiring, then indicate a TBD amount of new employees.

Item 27: **Q:** Reference Section IV.F: If a contractor is an MBE must they also satisfy the WBE requirement?

A: Yes.

Item 28: The Proposal due date, time and location remain unchanged at January 5, 2018 at 10:00 a.m., at HACP Procurement Dept., 100 Ross St. 2nd Floor, Suite 200, Pittsburgh, PA 15219.

END OF ADDENDUM NO. 2



Mr. Kim Detrick
Agent

12-18-17

Date

Offeror: _____

RFQ#: _____

Due Date: _____

ATTACHMENT E - SPECIAL PARTICIPATION SUMMARY**I. SMALL BUSINESS PARTICIPATION**

Is the Offeror a Small Business as defined by the size and standards in 13 CFR 121?

Yes _____ No _____

II. MINORITY BUSINESS PARTICIPATION

Is the Offeror classified as a Minority Business Enterprise as defined in Art. 2, Part C of HUD-5369-C?

Yes _____ No _____

If "No", are any Contractors classified as Minority Business enterprises?

Yes _____ No _____

If "Yes", please fill in the following chart:

Consulting Firm(s) (MBE)	\$ Value Contract	% of Fee

III. WOMEN-OWNED BUSINESS PARTICIPATION

Is the Offeror classified as a Woman-Owned Business Enterprise as defined in Art. 2, Part C of HUD-5369-C?

Yes _____ No _____

If "No", are any Contractors classified as Women-Owned Business Enterprises?

Yes _____ No _____

If "Yes", please fill in the following chart:

Consulting Firm(s) (WBE)	\$ Value Contract	% of Fee

****All MBE/WBE firms must be certified. In order for the MBE/WBE participation plan to be complete, copies of MBE/WBE certification must be included for all firms listed.**