

CERTIFICATE OF ACKNOWLEDGMENT OF RECEIPT OF ADDENDUM

THE CITY OF READING

ADDENDUM NO. 1

RFP:

RFQ – ARP Grants Management,
Accounting and Compliance
Services.

DUE DATE:

September 29, 2021
3:00 P.M. Prevailing Time

This addendum must be signed, attached to, and returned with your proposal to the City of Reading by the time and date indicated ABOVE:

- Q1. On page 7 of the RFQ under References it says there is an Exhibit A attached but there is no Exhibit A to list our references?
- A1. Please just list your references in your proposal.
- Q2. On page 9 of the RFQ it states "The Consultant shall submit the requested information in a complete and concise manner within the page limitations discussed." Can you please clarify the page limit for this proposal, if any?
- A2. No page limit
- Q3. On page 8 of the RFQ it states "The goal of this RFP is to select the best suited Consultant firm(s) using a quantitative ranking system and possibly followed by an interview of selected firm(s), if determined by the committee to be necessary." Can you please share the quantitative ranking system / scoring criteria?
- A3. MBE/WBE, Price, References, Experience of Firm, Responsiveness, Experience of Staff
- Q4. We understand the City's desire to ensure that we pay subcontractors on a timely basis, and we will do everything within our powers to make sure that we pay the subcontractor as soon as possible. However, we need the ability to withhold payment if there is a legitimate question about whether the subcontractor provided high quality services in accordance with the contract between BerryDunn and the subcontractor. Would the City consider modifying the subcontractor surety to read as follows: "The Primary Contractor reserves the right to withhold payment to the Subcontractor for any services provided by the Subcontractor that either the Primary Contractor or the City deems unacceptable. The Primary Contractor shall notify the City and the Subcontractor immediately of its non-acceptance of any

service and the Subcontractor shall be given a reasonable opportunity to correct any deficiencies. Upon acceptance of the corrected services by the Primary Contractor and/or the City the Subcontractor shall be paid any withheld payments.”

A4. Yes

Q5. On page 15 of the RFQ in the Insurance section, the City states “The firm’s Liability Insurance Certificate shall include the hold harmless clause and shall be filed with the City of Reading.” We respectfully request that the Hold Harmless language be removed from any contract. BerryDunn carries a 10 million dollar professional liability policy which protects us and our clients however the Hold Harmless language would negate that coverage. Our Professional Liability policy has a contract exclusion that states the policyholder cannot assume a liability under a contract which wouldn’t exist had that contract not been entered into. The City’s Hold Harmless language contemplates language wherein the firm agrees to defend and indemnify a party for any and all claims and therefore the firm would be assuming additional liabilities under a contract (a blanket indemnification without adjustment and paying attorney fees and costs) that it wouldn’t be liable for had the agreement not existed. This could jeopardize the firm’s Professional Liability coverage leaving both the firm and the City without necessary protection. Additionally, the Hold Harmless clause effectively precludes BerryDunn from pursuing a counterclaim, third party suit or arguably even assuring an affirmative defense for contributory fault in a direct action by a party against the firm. This would run contrary to our policy’s cooperation clause as BerryDunn would in effect be hampering a potential defense. Our insurance carrier will reserve its rights with respect to the extent the hold harmless agreement prejudices the defense of a claim and thus limit coverage. Would removing the Hold Harmless language from the Insurance requirement be acceptable to the City?

A5. No

Q6. On page 7 of the RFQ in the References section, you indicate there is Exhibit A to fill out for references. Can you please provide this Exhibit as it’s not on the bid site and not included as part of the RFQ. Thank you.

A6. Please just list your references

Q7. Does the City have any sense at this time how it may use its ARPA allocation? If yes, will uses include one or more construction projects, and/or a program(s) composed of multiple sub-awardees or applicants?

A7. Yes, a combination of economic stabilization –large and small business support, infrastructure improvements- water, sewer, fire/EMS, HVAC, Neighborhood Initiatives that address negative impacts from the pandemic. There will be construction projects, not limited to a new fire station in an underserved area, the

Neighborhood initiative will include sub-awardees and applicants for projects to be funded.

Q8. Is a fee chart and cost proposal required, or simply a fee chart?

A8. Cost Proposal

Q9. Are the only engineering services being requested under this proposal for design of components of a project?

A9. No

Q10. Reference is made to a Construction Manager. Are construction management services needed?

A10. No, please disregard

Q11. Is the contract to result from this opportunity expected to be for a Time and Material or Fixed Price contract?

A11. Time and Material

Q12. Is this the only outstanding City RFQ for ARPA consulting services?

A12. Yes

Q13. Does the City currently use contracted accounting firms for federal grant management (non-ARPA funding)? If not, is this process currently centralized at the City-level or performed at the department-level?

A13. Currently performed at [Community Development] department level

Q14. Will all necessary information be available electronically from the City?

A14. Yes

Q15. Will specific City staff be assigned to answer consultant questions during the term of the project?

A15. Yes

Q16. Under “General Requirements” section of the RFQ, are these only pertaining to ARPA funding? If this includes other federal funding, please provide further grant information and approximate \$ amounts of annual grant awards.

- A16. Just ARPA Funding
- Q17. What accounting software is currently used by the City? Does the City anticipate transitioning to new accounting software and if so, please provide transition timing and anticipated software?
- A17. Currently use USL and Hansen, in the middle of configuration and transition to Munis platform by Tyler Technologies. Go live for general ledger is scheduled for January 1, 2022, full ERP implementation won't be complete until end of 2023 most likely.
- Q18. Are there any additional grant administration-related activities/technical assistance expected within the 3-year project period other than those referenced under "General Requirements" section of the RFQ? If so, please provide any information.
- A18. No
- Q19. Has the City identified SLRF Expenditure Categories for use of the received funds? If so, which categories and what allocation amounts?
- A19. Will be done via the City 2022 budget, first draft is due to City Council on Oct 1, 2021
- Q20. Has the City determined the amount of public sector revenue loss it experienced and the amount that would be available under EC 6 Revenue Replacement?
- A20. For 2020 that amount was determined to be \$12,534,115
- Q21. Which City office or department will have primacy for administration of the funds?
- A21. Finance Department
- Q22. Has the City established a schedule and/or selection criteria for subrecipient/beneficiary requests?
- A22. No full schedule as of yet, we have developed a rubric to score projects
- Q23. Does the City have a list of projects or uses for the funding established?
- A23. Preliminary list will be included in the 2022 Budget
- Q24. Should we provide the hourly rate for subcontractors? Page 7, Pricing Structure?
- A24. Yes

- Q25. Did the City file an Interim Report? If so, is the report available for review?
- A25. Yes and Yes
- Q26. Are there any Specifications and / or Proposal Forms related to this project? The RFQ indicates that additional documents can be found on the Penn Bid website, however there does not appear to be additional documents available.
- A26. No additional specifications.
- Q27. Does the City expect the Consultant to provide services on-site or within the City, or can services be provided remotely?
- A27. On site as needed and remotely
- Q28. Does the City have an ARP task force or a group of individuals dedicated and well-versed in grant administration?
- A28. The City has a task force in place that's well versed in grant administration.
- Q29. Approximately what percentage of funds does the City expect to retain versus pass through to other organizations?
- A29. 75-80%
- Q30. Does the City currently have an ARP spending plan? a) If there is a spending plan, does it include an allocation to provide funds to individuals/families? b) If there is a spending plan, does it include an allocation to provide funds to local businesses? c) What level of interaction, if any, does the City anticipate the Consultant will have with third party beneficiaries?
- A30. Draft spending plan to be included in the budget, timelines, benchmarks and milestones have yet to be included. Level of interaction will include assembling reporting information from sub-recipients by phone or email.
- Q31. Does the City have sense of volume of applications it expects to review as part of this new round of funding?
- A31. A few dozen applications
- Q32. Can you please provide more detail on what will be expected from the Consultant as it relates to "funds administration"? Does the city expect that the Consultant will take custody of funds to be distributed to subrecipients or simply assist with the funds administration process?

A32. The City will maintain custody of the funds. We request assistance with administration process including but not limited to: accumulated of data to be filed in the report, timely report filing, verifying accuracy of information before being submitted by City staff in the Treasury portal. Inform the City ARP task force of any updates or changes to the guidelines based on the final rule being posted, or legislative adjustments to the Act.

Q33. Does the city have a standardized template that they would like Consultants to use when submitting references? The RFQ indicates that a Reference form is provided as Exhibit A, however there does not appear to be an Exhibit A attached to the RFQ.

A33. No standardized template.

Q34. Is there a page limit on RFQ responses? The RFQ indicates that requested information should be provided "...in a complete and concise manner within the page limitations discussed," however there does not appear to be a page limit in the RFQ.

A34. No page limit.

Q35. The RFQ indicates that that technical and pricing proposals should be submitted separately. Is there a specific format that the City would prefer as it relates to the pricing proposal?

A35. No.

Q36. Would the city like the Consultant to provide a proposed approach for addressing the Scope of Work included in the RFQ?

A26. Yes

I, HEREBY CERTIFY THAT THE CHANGES COVERED BY THIS ADDENDUM HAVE BEEN TAKEN INTO ACCOUNT.

Firm Name (Type or Print)_____

Authorized Signature _____

Title_____

Name (Type or Print)_____

Date_____